Annual Report

SEYCHELLES REVENUE COMMISSION

2024

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Message from the SRC Governing Board

On behalf of the Seychelles Revenue Commission (SRC) Governing Board, I am honored to present the Annual Report for the financial year 2024. This year marks a significant milestone in our ongoing commitment to strengthening Seychelles' financial stability and fostering national growth through efficient revenue collection.

The SRC has once again demonstrated its pivotal role in supporting the Seychelles National Development Strategy. We commend the organisation's impressive achievement in surpassing its revenue collection target by 0.1%, a clear reflection of effective strategies and the unwavering dedication of the SRC team. This success underscores the impact of well-executed revenue-enhancement initiatives that have been carefully designed and implemented throughout the year.

As the Governing Board, we continue to prioritise strategic oversight and strong governance while fully supporting the SRC's transformational agenda to modernise its operations. Notable progress has been made in technological advancements, particularly in securing system integrity and the development and pilot testing of the new Tax Management System (TMS). In parallel, enhancements to ASYCUDA for customs administration are ensuring more efficient trade facilitation and streamlined processes. These initiatives are instrumental in improving productivity, elevating taxpayer services, and ultimately fostering greater compliance.

Our strategic direction remains closely aligned with the National Development Strategy, emphasising a technologically advanced and taxpayer-centric approach to revenue administration. The Board commends SRC's ongoing efforts in tax and customs education, which play a vital role in encouraging voluntary compliance. Additionally, we recognize the fundamental importance of the Compliance Improvement Plan, which safeguards revenue collection and ensures equity within the tax system.

The Board firmly believes that SRC's greatest asset is its dedicated and skilled workforce. We acknowledge their professionalism, adaptability, and resilience in navigating the complexities of revenue administration. As part of our commitment, we continue to invest in their professional development through specialised training and access to essential resources that empower them to excel.

As Chair of the SRC Governing Board, I am proud of the organisation's unwavering commitment to progress. SRC remains steadfast in its transformation journey, focusing on operational enhancements, technological innovation, and cultivating strong leadership for the future. The Board remains confident in SRC's ability to achieve its objectives and will continue to provide strategic guidance and dedicated support to ensure its success–serving the people of Seychelles and contributing to the nation's long-term prosperity.

Mr. Chrystold Chetty

Chairperson of the SRC Governing Board

Commissioner General's foreword

It is with immense pride and deep personal commitment that I present the Annual Report for the financial year 2024 as Commissioner General of the Seychelles Revenue Commission (SRC). Having joined the SRC with a firm vision for strengthening our tax administration and fostering voluntary compliance, I have had the privilege of witnessing firsthand the dedication, expertise, and resilience of our remarkable team.

2024 has been a defining year for SRC, not only in terms of operational success–exceeding our revenue collection target by 0.1%–but also in laying the groundwork for lasting transformation. Our strategic revenue enhancement initiatives have reinforced our proactive approach to tax collection, reflecting the unwavering commitment of our employees and the collaborative efforts of the taxpaying community.

Beyond financial achievements, my tenure has been marked by the pivotal launch of the Transformation Programme, a bold and ambitious roadmap designed to modernise and elevate our institutional capabilities. This initiative, aligned with the Seychelles National Development Strategy (2024-2028), sets a clear path for operational excellence through targeted policy refinement, enhanced governance, skill development, and the adoption of cutting-edge technologies.

Digitalisation remains a cornerstone of our progress, with substantial advancements in the Tax Management System (TMS), bringing intuitive and efficient services to taxpayers and agents alike. In parallel, we continue strengthening our ASYCUDA system for customs administration, optimising trade facilitation and customs processing to ensure seamless transactions for importers and exporters. These developments reflect our commitment to delivering innovative, user-centric solutions. Additionally, we remain firmly dedicated to upholding international tax commitments, fostering transparency, and maintaining alignment with global standards. Our continued engagement in international cooperation underscores Seychelles' pledge to fair and responsible tax practices.

As we look towards 2025, our momentum continues to build. Guided by strong leadership, a dedicated workforce, and unwavering collaboration with traders and taxpayers, we remain steadfast in our mission to create a fair, efficient, and transparent revenue system.

My heartfelt appreciation goes to the 397 SRC employees who work tirelessly to ensure our continued progress and success. I also extend my gratitude to the SRC Governing Board for their leadership and support in steering our vision. Most importantly, I thank all our traders and taxpayers for their cooperation and trust, without whom our achievements would not be possible. Together, we are shaping a stable and prosperous financial future for Seychelles–one built on mutual trust, responsibility, and the fundamental contract between the state and its citizens, where taxation serves as the cornerstone for national development and shared prosperity.

Mrs. Varsha Singh
Commissioner General

Table Of Contents

Part 1: General Information

About Us

The Seychelles Revenue Commission's (SRC) main responsibility through the administration of revenue laws is to support the economy of the republic of Seychelles by collecting taxes and facilitating trade.

Our Mandate

- Assess, collect and account for all Government revenues.
- Administer efficiently and effectively all revenue laws in force.
- Advise the Government on matters of policy relating to revenue.
- Improve the standard and quality of services provided to payers of revenue.
- Counteract revenue evasion.
- Monitor and control the cost of revenue collection.
- Exchange information in terms of any tax agreement or treaty.

Vision

To be a modern, robust and innovative revenue administration for ease of doing business whilst meeting the highest international standards.

Mission

Building trust through a well-governed, customer oriented and transparent processes to facilitate trade and optimize revenue collection for the sustainable well-being of Seychelles.

P — Professionalism

R — Resilience

O — Ownership

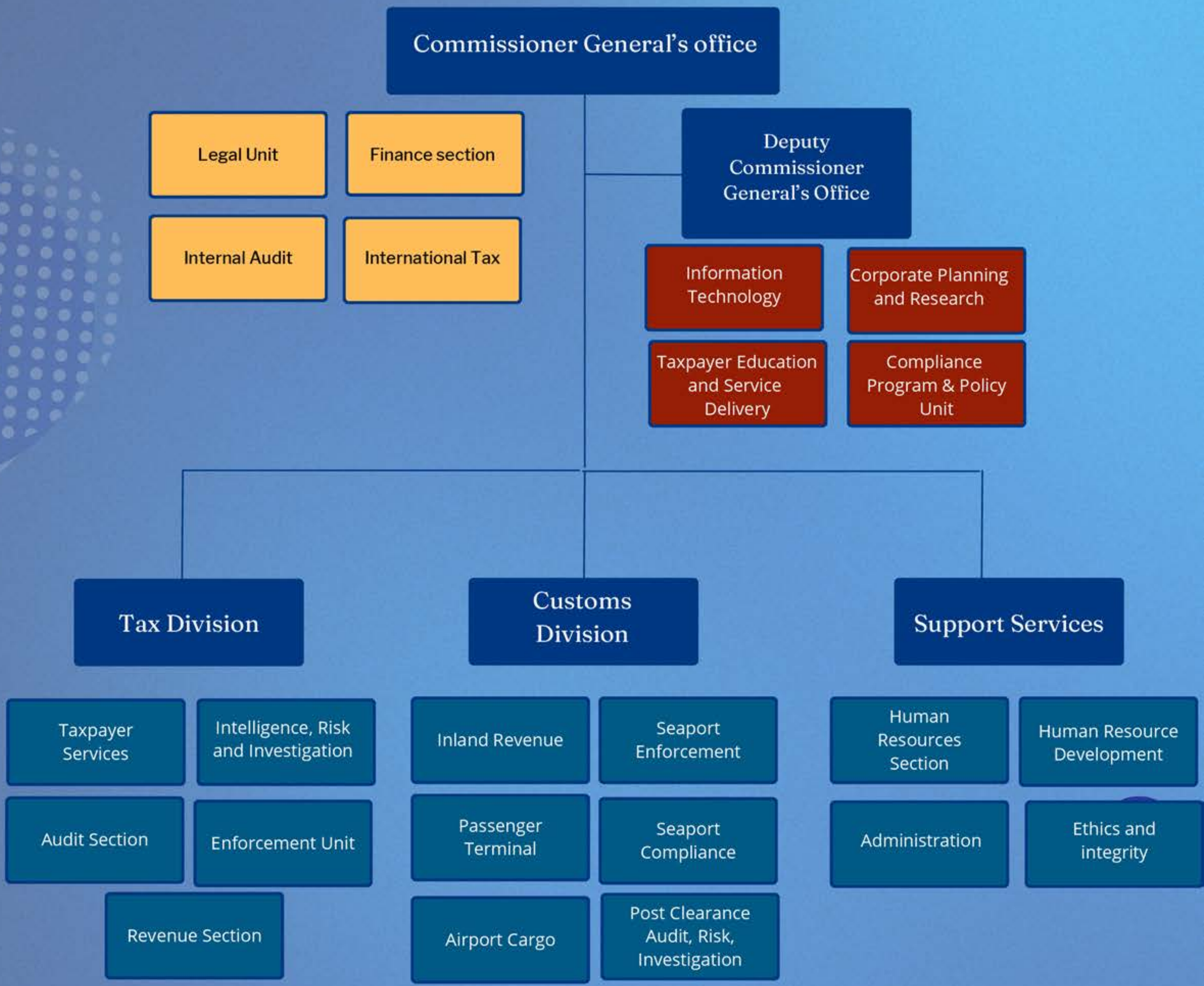
F — Fairness

I — Integrity

T — Transparency

T — Trust

Organogram


Commissioner General's office
Legal Unit
Finance section
Internal Audit
International Tax
Deputy Commissioner General's Office
Information Technology
Corporate Planning and Research
Taxpayer Education and Service Delivery
Compliance Program & Policy Unit
Tax Division
Customs Division
Support Services
Taxpayer Services
Intelligence, Risk and Investigation
Audit Section
Enforcement Unit
Revenue Section
Inland Revenue
Seaport Enforcement
Passenger Terminal
Seaport Compliance
Airport Cargo
Post Clearance Audit, Risk, Investigation
Human Resources Section
Human Resource Development
Administration
Ethics and integrity

Taxpayers charter

Your rights

SRC will;

- Treat you honestly, fairly, reasonably and respectfully.
- Provide quality service at all times and will help you get things right.
- Respect your choice to be represented by another person or body
- Remain confidential and respect your privacy.
- Allow access to information.
- Remain accountable for our decision and actions and respect your right to an explanation and review.
- Respect your right to an objection for any decision taken.
- Respect your right to an appeal.
- Respect your right to complain.

Your obligations

SRC expects you to;

- Register as a taxpayer whether your are liable for a business license or not.
- Lodge your goods declarations and returns and pay your tax timely and correctly.
- Keep your records.
- Notify us of any relevant changes.
- Notify us voluntarily of any mistakes made
- Provide appropriate facilities and documents to SRC's auditors

Strategic Objectives

Strategic Objective 1

Maximize revenue collection by strengthening internal processes, debt management and suppressing non compliance

Strategic Objective 2

Empower and enable all taxpayers to timely meet their obligations through innovative processes and trade facilitation initiatives

Strategic Objective 3

Enhance Border security and strengthen detection to proactively identify criminal activities.

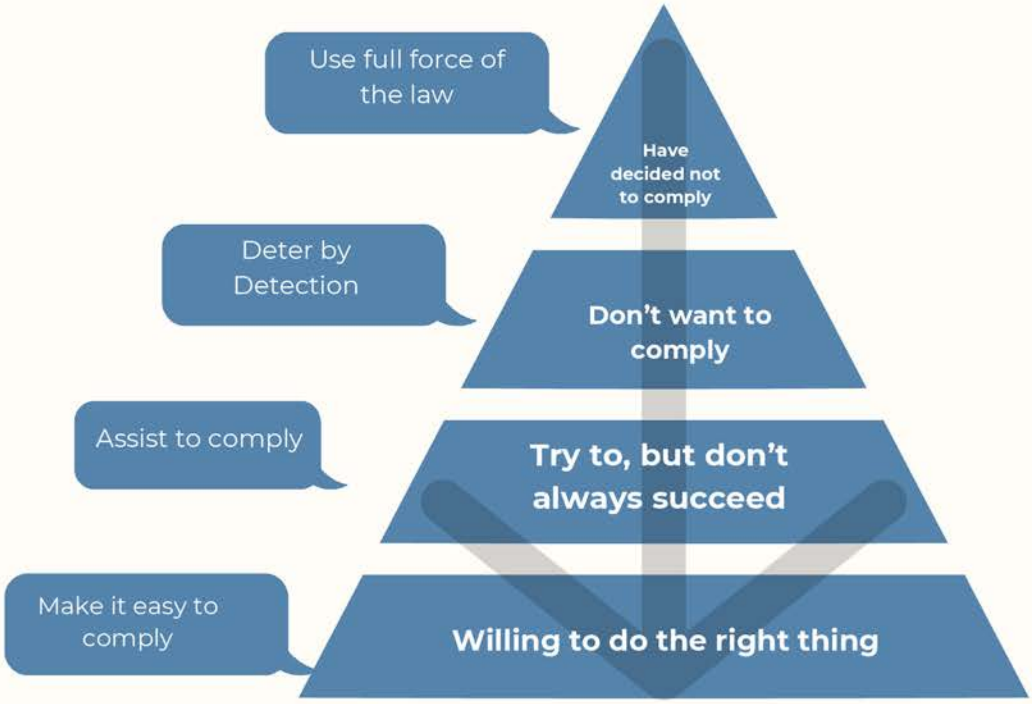
Strategic Objective 4

Improve Efficiency and Enhance Compliance with our international commitments

Strategic Objective 5

Cultivate a well-equipped, resilient, committed and engaged workforce to improve public trust

SRC Compliance Model



Aim is to create down ward pressure

2024 HIGHLIGHTS

REVENUE COLLECTED
SCR 8, 802, 782, 152. 79

COLLECTION AS A % OF BUDGET
101%

COST OF COLLECTION
1.9%

TAX COLLECTION TO GDP
30.43%

TAXPAYERS REGISTERED
1, 802

CESSATION RECORDED
797

ON-TIME FILING RATE (BUSINESS TAX)
65%

NO. OF AUDITS CONDUCTED
221

OUTSTANDING COLLECTIBLE DEBT:
SCR 862,300,878.32

ARREARS COLLECTED
SCR 555, 481, 694.24

OBJECTION CASES FILED; 51
SCR 218, 962, 178.33

OBJECTION CASES DETERMINED: 92
SCR 250, 857, 908. 3

VERIFICATIONS CONDUCTED AT THE SEAPORT
8, 757

PARCELS CLEARED
158, 227

Past Performance

2021

2021 presented significant challenges due to the ongoing impact of the Covid-19 pandemic on individuals, businesses, and government operations, particularly in the initial months. Despite these difficulties, the Seychelles Revenue Commission successfully collected a total of SR 6.5 billion, meeting the forecasted revenue target for the year.

The SRC initiated key digital projects, including the redevelopment of the Taxpayer Management System (TMS) and the upgrading of the ASYCUDA World system, Tax collection as a percentage of GDP stood at 31% for the year.

2022

The year 2022 marked the end of the SRC's 2020-2022 Strategic Plan.

Revenue collection reached SR 7.04 billion, achieving 94% of the annual forecast, while maintaining a stable cost of collection at 1.95%. Tax collection represented 24.93% of the GDP and accounted for a significant 85% of total government revenue. 2022 also saw the SRC launch its new Strategic Plan for 2023-2025, alongside the introduction of a new online tax registration platform, an updated and improved website, and a refreshed organizational logo, signaling a commitment to modernization and enhanced service delivery.

2023

In 2023, the SRC continued its strong performance, achieving tax collections of SR 7.8 billion.

This represented 96% of the projected revenue for the year, with a stable collection cost of 2.0. Tax collection as a percentage of GDP reached 27.54%.

The year also saw the introduction of revised service standards and a new taxpayer charter, underscoring the SRC's commitment to enhanced taxpayer relations.


SEYCHELLES
REVENUE COMMISSION
CUSTOMS DIVI

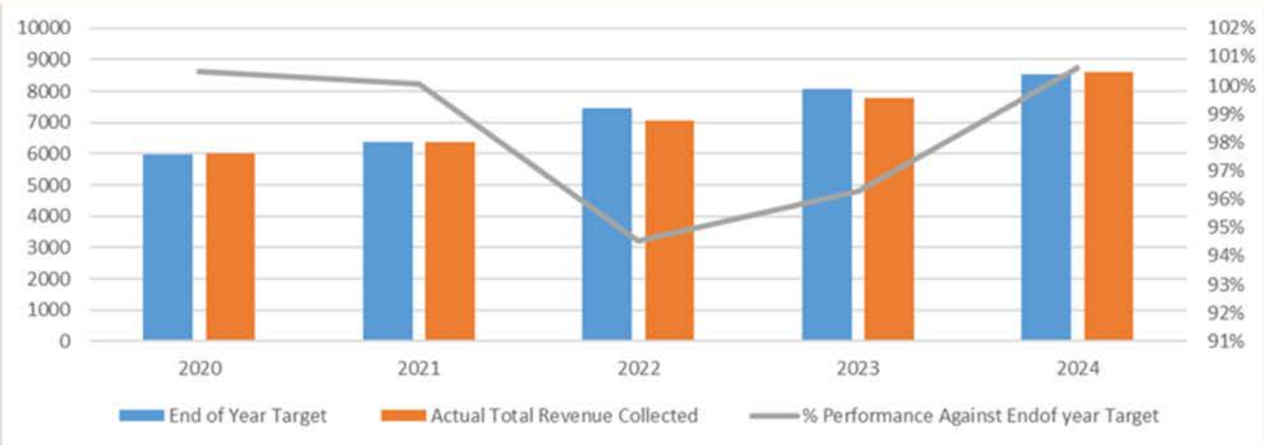
Part 2: Revenue Collection

Annual Revenue Performance (2020-2024)

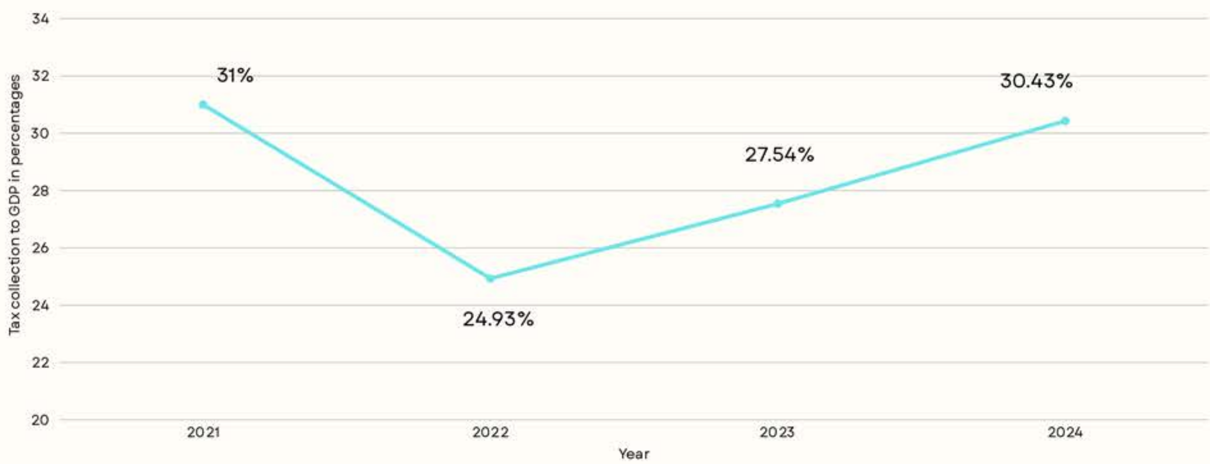
Year	End of Year Target (SCR Millions)	Actual Revenue Collected (SCR Millions)	% Performance against End of year Target
2020	5, 985. 53	6, 014. 05	100%
2021	6, 375. 34	6379.56	100%
2022	7, 456. 07	7, 048. 82	95%
2023	8, 087. 45	7, 797. 17	96%
2024	8, 550. 19	8, 604. 03	101%

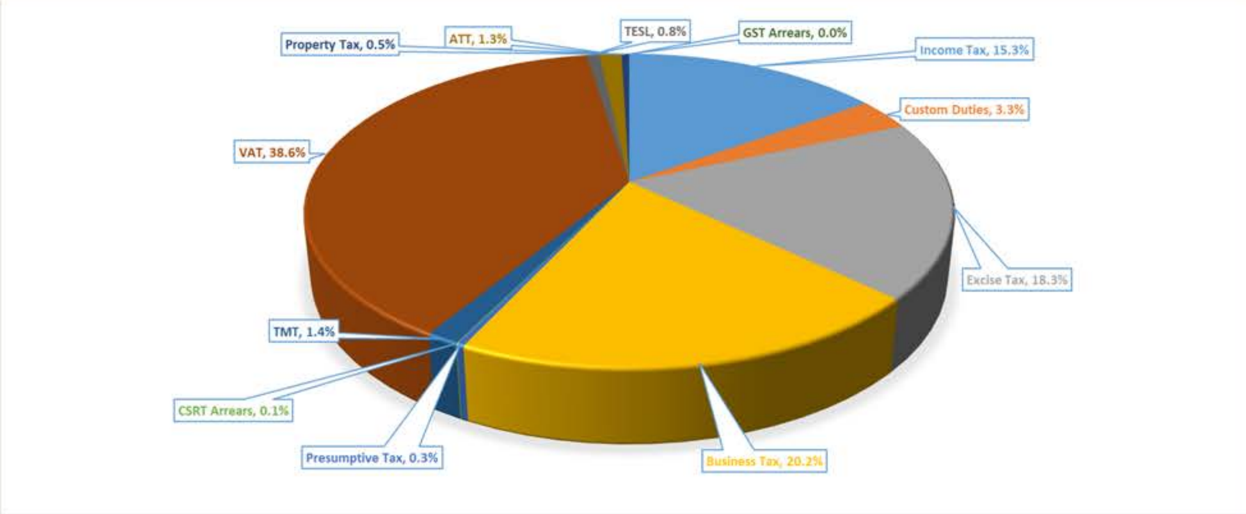
Over the five-year period from 2020 to 2024, annual revenue targets have progressively increased, rising from SCR 5.99 billion in 2020 to SCR 8.55 billion in 2024. Actual revenue collections have kept pace, with total receipts reaching SCR 8.60 billion in 2024 exceeding the target by 1%. Except for slight shortfalls in 2022 and 2023, annual performance remained strong, with target achievement rates at or above 95% throughout the period.

Annual Revenue Performance against Target (2020- 2024)



Tax Collection to GDP





The chart above provides an overview of the main tax lines contributing to government revenue in 2024. Value Added Tax (VAT) was the largest contributor, accounting for 36% of total collections, followed by Business Tax, Excise Tax, and Income Tax. Other tax lines, including Customs Duties and newer sector-specific levies, comprised the remaining share. This composition reflects the structure of tax revenue, which forms a major component of the overall government revenue base.

Revenue Report for the fiscal year 2024 (SRC Millions)

Main Tax Line	Total Collection 2023	Total Collection 2024	Variance	Published Budget 2024	End Of Year Budget 2024	Variance	Total Collection 2024 dif with PUB Budget	Total Collection 2024 difference with EOY Budget
Income Tax	1,190.00	1,331.26	141.26	1,284.73	1,283.55	(1.18)	46.53	47.71
Custom Duties	255.01	301.08	46.06	354.71	356.00	1.28	(53.64)	(54.92)
Excise Tax	1,426.48	1,521.95	95.46	1,550.07	1,504.60	(45.47)	(28.12)	17.35
Business Tax	1,576.85	1,853.28	276.44	1,764.47	1,853.84	89.37	88.81	(0.56)
CSRT	4.87	2.38	(2.49)	-	-	-	2.38	2.38
TMT	108.96	96.89	(12.07)	91.42	101.25	9.83	5.47	(4.36)
VAT	3,002.39	3,131.63	129.24	3,371.66	3,127.16	(244.50)	(240.03)	4.48
Presumptive Tax	24.18	29.43	5.26	-	-	-	29.43	29.43
Tourism Environmental Sustainability Tax	60.41	163.69	103.29	195.79	172.05	(23.74)	(32.10)	(8.35)
Accomodation Turnover Tax	102.10	122.40	20.30	132.09	116.92	(15.17)	(9.69)	5.47
GST Arrears	0.65	0.15	(0.50)	-	-	-	0.15	0.15
Property Tax	35.27	49.89	14.62	72.54	35.56	(36.98)	(22.65)	14.33
Total Main taxline Receipts	7,787.17	8,604.03	816.86	8,817.47	8,550.91	(266.55)	(213.43)	53.12
Other Non-Tax	105.53	130.32	24.79	-	-	-	130.32	130.32
SFF Arrears	11.58	11.63	0.04	-	-	-	11.63	11.63
UnIdentified Item	65.89	56.28	(9.61)					
Court Deposit	-	-	-					
Total Non-Tax Receipts	183.00	198.22	15.22	239.29	235.10	(4.19)	(97.35)	(93.16)
Total	7,970.17	8,802.26	832.08	9,056.76	8,786.02	(270.74)	(310.78)	(40.04)

Revenue Performance Against Budget

In the 2024 fiscal year, the Seychelles Revenue Commission collected a total of SCR 8.80 billion, against a published revenue target of SCR 9.06 billion and a revised end-of-year estimate of SCR 8.79 billion. This represents a shortfall of SCR 310.78 million against the original budget, but a marginal surplus of SCR 40.04 million relative to the revised projection.

While most major tax lines experienced year-on-year growth, performance against the published budget was mixed. Notable shortfalls were observed in VAT, Customs Duties, and Excise Tax, which together accounted for the bulk of the negative variance. The underperformance in these lines reflects, in part, slower-than-anticipated recovery in consumption and import-related activities.
Conversely, several tax lines exceeded expectations, including Business Tax, Income Tax, and Presumptive Tax, suggesting stronger-than-forecasted corporate earnings and improved taxpayer compliance. Additionally, non-tax revenues performed well in absolute terms, although they remained below initial budget estimates.

The results highlight the importance of continued improvements in forecasting accuracy and tax administration, while also reaffirming SRC's ability to deliver against revised targets under dynamic economic conditions. The overperformance against the EOY estimate underscores the Commission's responsiveness in aligning revenue collection efforts with evolving fiscal realities.

Revision of revenue forecast for 2024 (SCR Millions)

		Full Year Budget Comparison 2024		
Main Tax Line	Published budget	March Revised Forecast	Mid Year Review Forecast	End of Year Revised Forecast
Income Tax	1,284.73	1,256.39	1,256.39	1,283.55
Custom Duties	354.71	346.39	346.39	356.00
Excise Tax	1,550.07	1,494.40	1,494.40	1,504.60
Business Tax	1,764.47	1,750.10	1,753.31	1,853.84
CSRT	-	-	-	-
TMT	91.42	95.05	95.05	101.25
TESL	195.79	215.67	215.67	172.05
ATT	132. 09	144. 36	145. 30	116. 92
VAT	3, 371.66	3, 168. 67	3, 168. 67	3, 127. 16
Presumptive Tax	-	-	-	-
GST Arrears	-	-	0	-
Property Tax	72. 54	71. 95	71. 95	35. 56
Total Tax Receipts	**8, 817. 47**	**8, 542. 98**	**8, 547. 12**	**8, 550. 91**

During the course of the 2024 fiscal year, the Seychelles Revenue Commission (SRC), in coordination with the Ministry of Finance, revised its revenue forecasts on three separate occasions, in March, mid-year, and at year-end, to reflect evolving economic conditions and administrative developments.

The original revenue target was set at SCR 8,817.47 million, based on the macroeconomic assumptions outlined in the 2024 Budget. However, as the year progressed, adjustments were made in response to observed trends, particularly in consumption, imports, and sectoral activity. The March revised forecast was adjusted downward to SCR 8,542.98 million, followed by a minor revision at mid-year to SCR 8,547.12 million, and finally a slight upward adjustment to SCR 8,550.91 million at year-end.

Most adjustments centred around VAT, which saw a substantial downward revision from SCR 3,371.66 million in the published budget to SCR 3,127.16 million in the end-of-year forecast. This was based on slower-than-expected consumption growth and continued issues related to activity classification and refund levels. Excise Tax and Customs Duties were also revised downward due to weaker import volumes.

Conversely, upward revisions were applied to Business Tax, increasing from SCR 1,764.47 million in the original budget to SCR 1,853.84 million by year-end reflecting improved corporate profitability and early-year performance. Income Tax projections remained relatively stable across all forecast iterations.

Some tax lines, such as the Tourism Environmental Sustainability Levy (TESL) and Accommodation Turnover Tax (ATT), experienced volatility across forecasts, reflecting the seasonality and unpredictability of the tourism sector. TESL, for instance, peaked in the March and mid-year forecasts at SCR 215.67 million, before being revised downward to SCR 172.05 million by year-end.

These forecast revisions demonstrate the SRC's proactive approach to revenue management and reflect its efforts to align revenue expectations with real-time economic developments. The final end-of-year forecast served as a more accurate baseline against which actual revenue performance was ultimately measured.

Revenue Performance Trends: 2020-2024

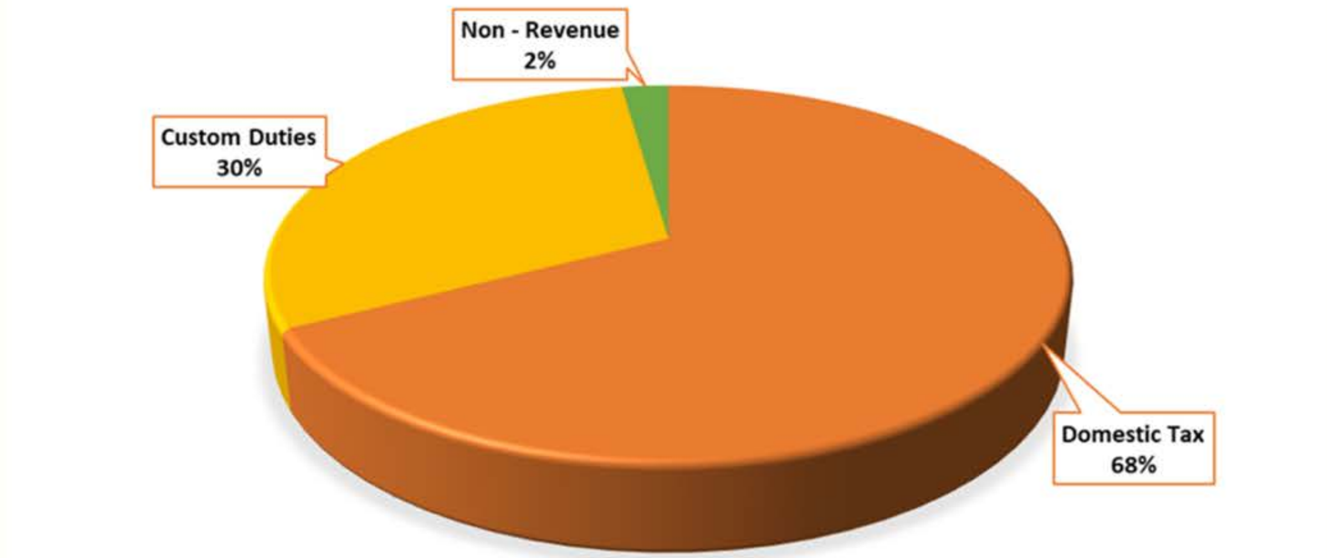
Main Tax Line	2020	2021	2022	2023	2024
Income Tax	1, 023. 23	1, 030. 13	1, 085. 67	1, 190. 00	1, 331. 26
Customs Duties	239. 89	194. 13	250. 33	255. 01	301. 08
Excise Tax	1, 268. 09	1, 207. 81	1, 415. 82	1, 426. 48	1, 521. 95
Business Tax	1, 193. 11	1, 439. 37	1, 188. 75	1, 576. 85	1, 853. 28
Presumptive Tax	10. 79	16. 65	18. 62	24. 18	29. 43
CSRT Arrears	101. 87	61. 10	10. 35	4. 87	2. 38
TMT	61. 51	59. 90	82. 12	108. 96	96. 89
VAT	2. 113. 02	2, 323. 44	2, 967. 23	3, 002. 39	3, 131. 63
TESL	-	-	-	60. 41	163. 69
ATT	-	-	-	102. 10	122. 40
GST Arrears	1. 74	2. 36	0. 66	0. 65	0. 15
Total	**6, 014. 05**	**6, 379. 56**	**7, 048. 82**	**7, 787. 17**	**8, 604. 03**
Growth from previous Year	-12. 17%	6. 08%	10. 49%	10. 47%	10. 49%

Between 2020 and 2024, total revenue collections increased from SCR 6.01 billion to SCR 8.60 billion, reflecting a cumulative growth of 43%. This steady upward trend was driven by economic recovery, enhanced compliance, and the introduction of new tax measures.

VAT remained the largest contributor, followed by Business Tax, Excise Tax, and Income Tax. Customs Duties rebounded after a temporary decline, while sector-specific levies such as the Tourism Environmental Sustainability Levy and the Accommodation Turnover Tax were introduced in 2023 and contributed meaningfully in 2024.

The tax structure continues to rely heavily on consumption and corporate-based taxes, with emerging levies strengthening the revenue base and supporting long-term fiscal sustainability.

Main Tax Line Collection – 2024

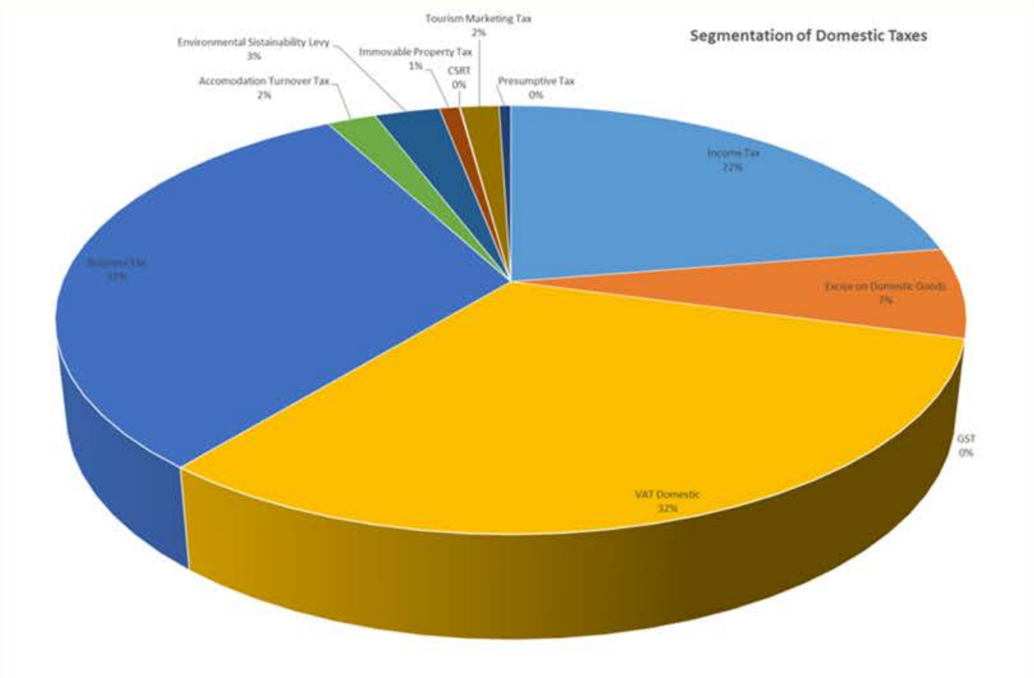


The chart above illustrates the composition of total revenue collections in 2024, segmented into Domestic Tax, Customs Duties, and Non-Revenue sources.

Domestic Tax remained the principal source of government revenue, accounting for 68% of total collections. Customs Duties contributed 30%, reflecting the country's ongoing dependence on trade-related taxes. The remaining 2% was derived from non-revenue sources, including administrative fees and other non-tax income.

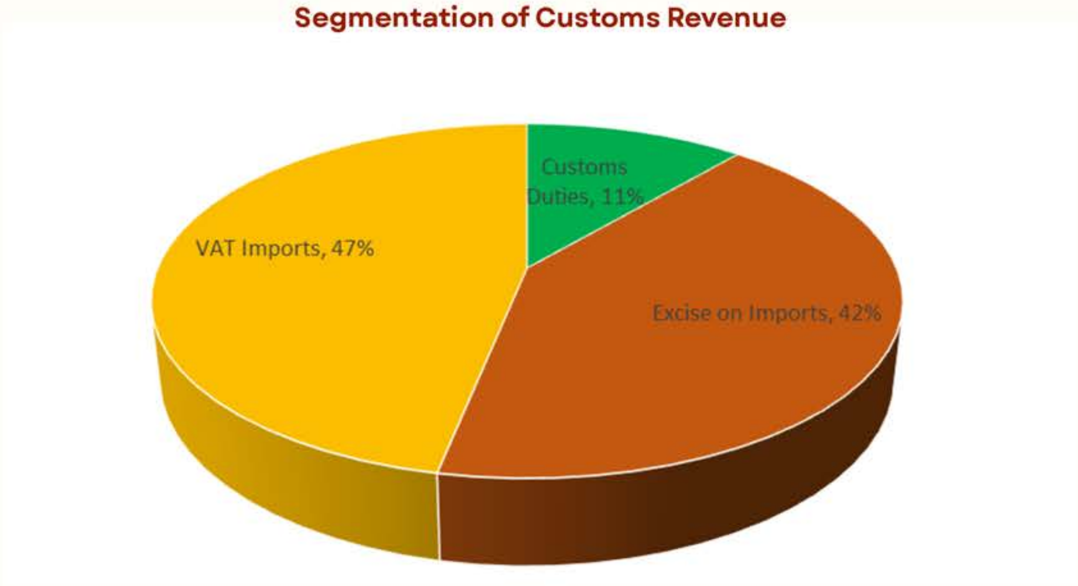
This distribution highlights the central role of domestic taxation in sustaining public finances, while underscoring the complementary importance of border taxes and auxiliary revenue streams.

Segmentation of Domestic Taxes



In 2024, domestic tax revenue was mainly supported by VAT, Business Tax, and Income Tax, which together made up the bulk of collections. Smaller contributions came from excise taxes, property-related taxes, and sector-specific levies such as the Environmental Sustainability Levy and the Accommodation Turnover Tax. This reflects a balanced mix of revenue sources within the domestic tax system.

Segmentation of Customs Revenue



Business Tax

Business Tax Performance for the Year 2024 (SR Millions)

Year	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
Company	1, 379. 05	1, 613. 48	234. 42	1, 522. 09	1, 620. 07	97. 98	91. 39	(6.59)
Individual	62. 76	64. 92	2. 16	74. 71	81. 85	7. 14	(9. 79)	(16. 93)
Partnership & others	30. 36	50. 81	20. 46	29. 09	45. 09	16. 01	21. 72	5. 72
Witholding Tax	79. 54	100. 12	20. 57	113. 52	81. 29	(32. 23)	(13. 4)	18. 83
Residential Rent	25. 13	23. 95	(1. 18)	25. 06	25. 54	0. 48	(1. 11)	(1. 59)
Total Business Tax Receipts	1, 576. 84	1, 853. 273	276. 43	1, 764. 47	1, 853. 84	89. 37	88. 81	(0. 57)

Total business tax collections for 2024 amounted to SCR 1.85 billion, falling slightly below the end-of-year forecast by SCR 0.57 million

Business Tax By Entity Type

Year	2020	2021	2022	2023	2024
Company	1, 015. 77	1, 201. 31	1, 009. 81	1, 379. 05	1, 613. 48
Individual	36. 02	74. 17	38. 26	62. 76	64. 92
Partnership & others	16. 84	21. 21	19. 44	30. 36	50. 82
Witholding Tax	102. 84	122. 42	99. 65	79. 54	100. 12
Residential Rent	21. 63	20. 26	21. 60	25. 13	23. 95
Total Business Tax Receipts	**1, 193. 11**	**1, 439. 37**	**1, 188. 75**	**1, 576. 85**	**1, 853. 28**

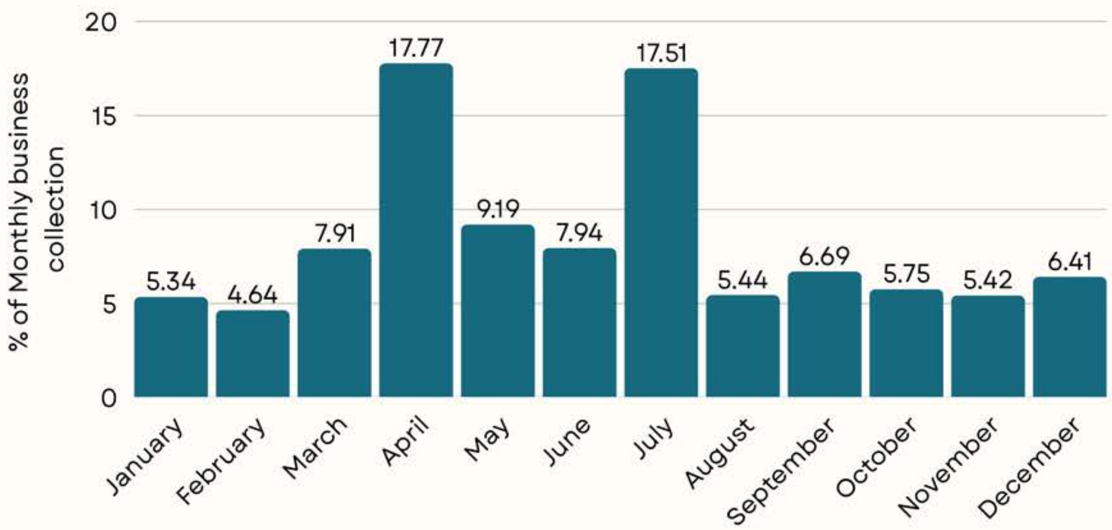
Total business tax receipts increased from SCR 1.19 billion in 2020 to SCR 1.85 billion in 2024, reflecting an overall upward trend despite a temporary dip in 2022. In 2024 alone, collections grew by 18% compared to 2023. Growth was largely driven by company tax, which rose significantly over the period. Steady gains were also observed in partnership income and withholding tax, while collections from individuals and residential rent remained relatively stable. This performance highlights a strong recovery and continued expansion of the business tax base in recent years.

Breakdown of Business Tax Receipts by tax type

Business Tax Type	2020	2021	2022	2023	2024
PAYG Installment	664. 01	586. 10	686. 79	614. 22	458. 94
Business Tax	375	693. 74	373. 35	843. 36	1, 243. 45
PAYG Specified Bsuiness	29. 54	16. 84	7. 36	8. 10	1.58
Witholding Tax	102. 84	122. 42	99. 65	79. 54	100. 12
Residential Rent	21. 63	20. 26	21. 6	25. 13	23. 95
Others	0. 09	-	0	6. 48	25. 25
Total	**1, 193. 11**	**1, 439. 37**	**1, 188. 75**	**1, 576. 85**	**1, 853. 28**

The table above presents the breakdown of business tax receipts by tax type from 2020 to 2024, highlighting growth in business tax collections alongside shifts in other components.

Monthly Business Tax Collection



The graph shows the monthly distribution of business tax collections, highlighting peaks in April (17.77%) and July (17.51%), with more moderate contributions recorded throughout the rest of the year

Breakdown of Presumptive Tax

Entity Type	2020	2021	2022	2023	2024
Company	1.25	2. 78	2. 93	2. 55	7. 69
Individual	7. 58	11. 35	12. 73	17. 79	17. 41
Partnership	1.94	2. 51	2. 94	3. 83	4. 33
Trust	0. 01	0. 01	0. 02	0. 01	-
Others	-	-	-	-	-
Total Presumptive Tax Collection	**10. 79**	**16. 65**	**18. 62**	**24. 18**	**29. 43**

In 2024, Presumptive Tax collections rose to SCR 29.43 million, marking a 21.7% increase compared to the previous year. Individuals contributed the largest share at 59.14%, followed by companies at 26.13% and partnerships at 14.72%, while trusts and others recorded no collections.

Income Tax

Year	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
Government	266. 24	289. 76	23. 52	292. 51	292. 57	0. 06	(2. 75)	(2. 82)
Other Public Sector	139. 62	168. 41	28. 80	161. 81	158. 24	(3. 57)	6. 60	10. 18
Private	784. 15	873. 09	88. 94	830. 41	832. 74	2. 33	42. 69	40. 35
Total Income Tax receipts	**1, 190. 00**	**1, 331. 26**	**141. 26**	**1, 284. 73**	**1, 283. 55**	**(1. 18)**	**46. 53**	**47. 71**

In 2024, actual income tax collections exceeded the end-of-year forecast, resulting in a positive variance of SCR 47.71 million. While the private sector was the main contributor to this surplus, overperforming by SCR 40.35 million, the other public sector also recorded a positive variance of SCR 10.18 million. However, the government sector slightly underperformed, falling short of the EOY target by SCR 2.82 million. Overall, income tax receipts showed strong growth compared to 2023, increasing by SCR 141.26 million.

Entity Type	2020	2021	2022	2023	2024
Government	242. 26	256. 48	245. 30	266. 24	289. 76
Other Public Sector	113. 34	93. 54	98. 84	139. 62	168. 41
Private	667. 633	680. 112	741. 526	784. 153	873. 091
Total Income Tax Collection	**1, 023. 23**	**1, 030. 13**	**1, 085. 67**	**1, 190. 00**	**1, 331. 26**

Between 2020 and 2024, total income tax collections rose from SCR 1.02 billion to SCR 1.33 billion, representing a cumulative increase of 30% and a year-on-year growth of 9.6% in 2024. The private sector remained the dominant contributor throughout the period, with notable gains also recorded from the government and other public sectors, particularly over the past two years.

Year	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
VAT Domestic	1, 712. 29	1, 882. 47	170. 18	2, 030. 64	1, 809. 92	(220. 71)	(148. 17)	72. 55
VAT Import	1, 290. 09	1, 249. 16	(40. 93)	1, 341. 02	1, 317. 23	(23. 79)	(91. 86)	(68. 07)
Total VAT receipts	**3, 002. 39**	**3, 131. 63**	**129. 24**	**3, 371. 66**	**3, 127. 16**	**(244. 50)**	**(240. 03)**	**4. 48**

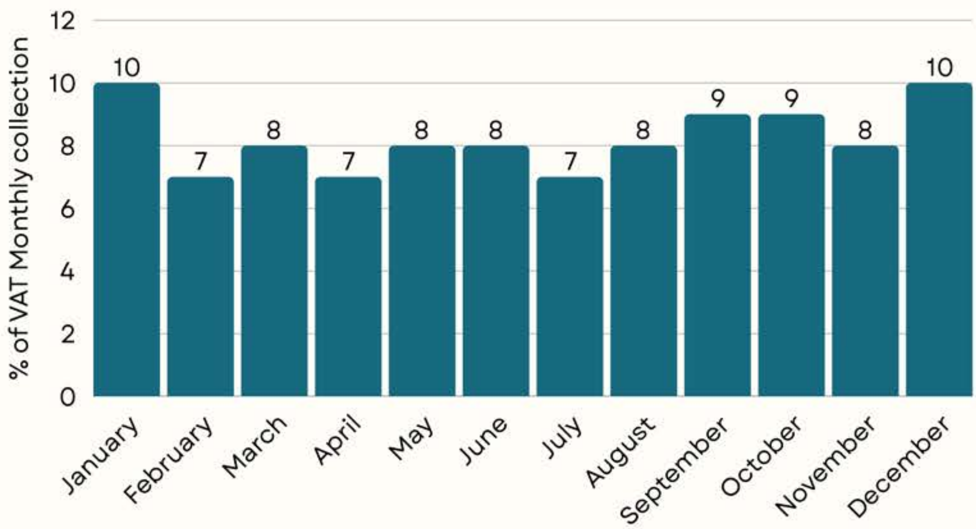
In 2024, Value Added Tax (VAT) collections totalled SCR 3.13 billion, falling slightly short of the published budget target by SCR 240.03 million. While VAT Domestic contributed SCR 1.88 billion, exceeding the end-of-year estimate by SCR 72.55 million, it still underperformed against the published budget by SCR 148.17 million. VAT Import collections totalled SCR 1.25 billion, registering a shortfall against both the published and end-of-year budgets, by SCR 91.86 million and SCR 68.07 million respectively. Despite the shortfall against projections, overall VAT receipts rose by SCR 129.24 million compared to 2023.

Collection of VAT (Domestic) by Industry for the Years 2020 - 2024 (SR Millions)

	2020	2021	2022	2023	2024
LMG- Alcohol	78. 88	81. 54	94. 99	91. 06	90. 75
LMG- Tobacco	35. 76	37. 83	32. 99	27. 71	31. 43
Construction	79. 22	96. 38	85. 00	134. 99	281. 73
Tourism	501. 74	601. 61	934. 92	654. 45	205. 70
Financial & Insurance	68. 95	87. 66	72. 53	82. 40	83. 36
ICT& Telecom	113. 46	131. 28	153. 67	146. 90	135. 81
Real Estate	44. 29	48. 86	77. 83	(34. 28)	50. 30
Wholesale Retails	139. 13	170. 98	180. 96	206. 43	300. 83
Others	141. 85	174. 14	222. 47	402. 64	702. 56
Total	**1, 203. 28**	**1, 430. 27**	**1, 855. 36**	**1, 712. 29**	**1, 882. 47**

In 2024, VAT collections increased by 10% compared to 2023, rising from SCR 1.71 billion to SCR 1.88 billion. This growth reflects a recovery in overall domestic activity.

(Disclaimer)* Due to misallocation issues within the Tax Management System (TMS), a portion of VAT attributed to the tourism sector was recorded under "Others." A data cleanup exercise is currently underway to rectify these classification errors and ensure more accurate sectoral reporting.



VAT collections were relatively stable throughout 2024, with peaks in January and December at 10%, and slight dips in February, April, and July at 7%.

VAT Exemption and Deferred Payment for the Year 2024

Year	2024 (SCR)
Defered Payment	605, 889, 145. 13
VAT Exemption	3, 203, 960, 866. 67

Corporate Social Responsibility and Tourism Marketing Tax (CSRT & TMT)

CSRT Arrears and TMT Performance for the Year 2024 (SR Millions)

Main Tax Line	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
CSRT Arrears	4. 87	2. 38	(2. 49)	0	0	0	2. 38	2. 38
TMT	108. 96	96. 89	(12. 07)	91. 42	101. 25	9. 83	5. 47	(4. 36)

In 2024, TMT collections totaled SCR 96.89 million, falling below the previous year by SCR 12.07 million and underperforming the end-of-year budget by SCR 4.36 million. CSRT arrears collections also declined to SCR 2.38 million, representing a drop of SCR 2.49 million compared to 2023.

Collection of CSRT Arrears and TMT for the Years 2020 - 202 (SCR Millions)

	2020	2021	2022	2023	2024
CSRT Arrears	101. 87	61. 10	10. 35	4. 87	2. 38
TMT	61. 51	59. 90	82. 12	108. 96	96. 89

CSRT, which was repealed in 2021, has seen a steady decline in collections from arrears, falling from SCR 101.87 million in 2020 to SCR 2.38 million in 2024. The downward trend reflects the diminishing flow of payments under the former tax regime. In contrast, TMT collections continued to trend upward over the same period, peaking in 2023 and slightly decreasing to SCR 96.89 million in 2024.

Excise Tax Performance for the Year 2024 (SCR Millions)

	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
LMG Alcohol	169. 17	223. 01	53. 84	209. 01	184. 16	(24. 85)	14. 00	38. 85
LMG Tobacco	172. 92	166. 10	(6. 83)	198.25	176. 13	(22. 13)	(32. 16)	(10. 03)
LMG Sugar Tax	30. 2	14. 64	(15. 56)	27. 88	24. 84	(3. 04)	(13. 24)	(10.20)
Sub- Total Excise LMG	**372. 29**	**403. 75**	**31. 46**	**435. 15**	**385. 13**	**(50. 02)**	**(31. 40)**	**18. 62**
Import Alcohol	237. 53	276. 30	38. 77	242. 27	251. 22	8. 95	34. 03	25. 08
Petroleum	638. 99	644. 42	5. 43	686. 28	662. 14	(24. 14)	(41. 86)	(17. 72)
Motor Vehicles	139. 72	152. 29	12. 57	152. 2	157. 24	5. 04	0. 09	(4. 95)
Import Tobacco	2. 83	2. 16	(0. 68)	2. 99	2. 92	(0. 07)	(0. 83)	(0. 76)
Imported Beverages-sugar tax	35. 12	43. 03	7. 91	31. 18	45. 96	14. 78	11. 85	(2. 93)
Sub total excise import	**1, 054. 19**	**1, 118. 20**	**64. 00**	**1, 114. 92**	**1, 119. 47**	**4. 55**	**3. 28**	**(1. 27)**
Total	**1, 426. 48**	**1, 521. 95**	**95. 46**	**1, 550. 07**	**1, 504. 60**	**(45. 47)**	**(28. 12)**	**17. 35**

Excise tax collections in 2024 totalled SCR 1,521.95 million, registering a variance of SCR 28.12 million below the published budget of SCR 1,550.07 million. Both subcategories contributed to the shortfall. Excise LMG recorded collections of SCR 403.75 million, under the target by SCR 31.40 million, while Excise Import reached SCR 1,118.20 million, falling slightly below expectations by SCR 3.28 million. Petroleum excise remained the largest contributor, accounting for 42% of total excise receipts.

Collection of Excise Tax by Product for the Years 2020 -2023 (SR Millions)

	2020	2021	2022	2023	2024
LMG Alcohol	174.00	168. 71	198. 05	169. 17	223. 01
LMG Tobacco	195.98	195. 56	182. 43	172. 92	166. 10
LMG Sugar Tax	22. 84	21. 97	25. 66	30. 20	14. 64
Sub- Total Excise LMG	**392. 82**	**387. 25**	**406. 14**	**372. 29**	**403. 75**
Import Alcohol	198. 21	188. 77	230. 67	237. 53	276. 30
Petroleum	551. 60	575. 62	639. 89	638. 99	644. 42
Motor Vehicles	97. 61	32. 53	106. 62	139. 72	152. 29
Import Tobacco	6. 47	3. 79	3. 81	2. 83	2. 16
Imported Beverages-sugar tax	21. 39	198. 85	28. 69	35. 12	43. 03
Sub total excise import	**875. 27**	**820. 57**	**1, 009. 68**	**1, 054. 19**	**1, 118. 20**
Total	**1, 268. 09**	**1, 207. 81**	**1, 415. 82**	**1, 426. 48**	**1, 521. 95**

Between 2020 and 2024, total excise tax receipts increased from SCR 1.27 billion to SCR 1.52 billion, reflecting steady growth in both Excise LMG and Excise Import. Excise Import remained the dominant category, driven by consistent increases in petroleum, imported alcohol, and motor vehicles. Excise LMG showed moderate growth overall, with a notable rise in LMG alcohol collections in 2024, offsetting declines in tobacco and sugar tax.

Collection of Customs Duties for the Year 2024 (SCR Millions)

	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
Alcohol	90.44	93. 99	3. 55	107. 22	94. 72	(12. 95)	(13. 23)	(0. 28)
Textiles	7. 6	7. 86	0. 26	7. 67	7. 86	0. 19	0. 19	0
Motor Vehicles	-	-	-	-	-	-	-	-
Tobacco	1.78	1.97	0.18	2. 16	1.84	(0. 32)	(0. 19)	0. 13
Foodstuff	10. 7	14. 81	4. 11	12. 33	14. 13	1.8	2. 48	0. 68
Others	144. 49	182. 45	37. 96	225. 34	237. 9	12. 57	(42. 89)	(55. 46)
Total Customs Duties Receipts	**255. 01**	**301. 08**	**46. 06**	**354. 71**	**356**	**1.28**	**(53. 64)**	**(54. 92)**

In 2024, customs duties collections reached SCR 301.08 million, an improvement of SCR 46.06 million over 2023. Despite this year-on-year growth, the tax line fell short of the end-of-year budget, which had been revised slightly upward, resulting in a shortfall of SCR 54.92 million.

Collection of Customs Duties for the Years 2020 - 2024 (SCR Millions)

	2020	2021	2022	2023	2024
Alcohol	79. 36	68. 65	107. 3	90. 44	93. 99
Petroleum	-	-	-	-	-
Textiles	7. 07	7. 38	7. 14	7. 6	7. 86
Motor Vehicles	-	-	-	-	-
Tobacco	3. 11	2. 45	3. 25	1.78	1.97
Foodstuff	13. 66	11. 70	12. 46	10. 70	14. 81
Others	136. 7	103. 95	120. 18	144. 49	182. 45
Total Customs duties receipt	**239. 89**	**194. 13**	**250. 33**	**255. 01**	**301. 08**

From 2020 to 2024, customs duties increased by 26%, rising from SCR 239.89 million to SCR 301.08 million.

Collection of Immovable Property Tax for the Year 2024 (SCR Millions)

	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
IPT	35. 27	49. 89	14. 62	72. 54	35. 56	(36. 98)	(22. 65)	14. 33

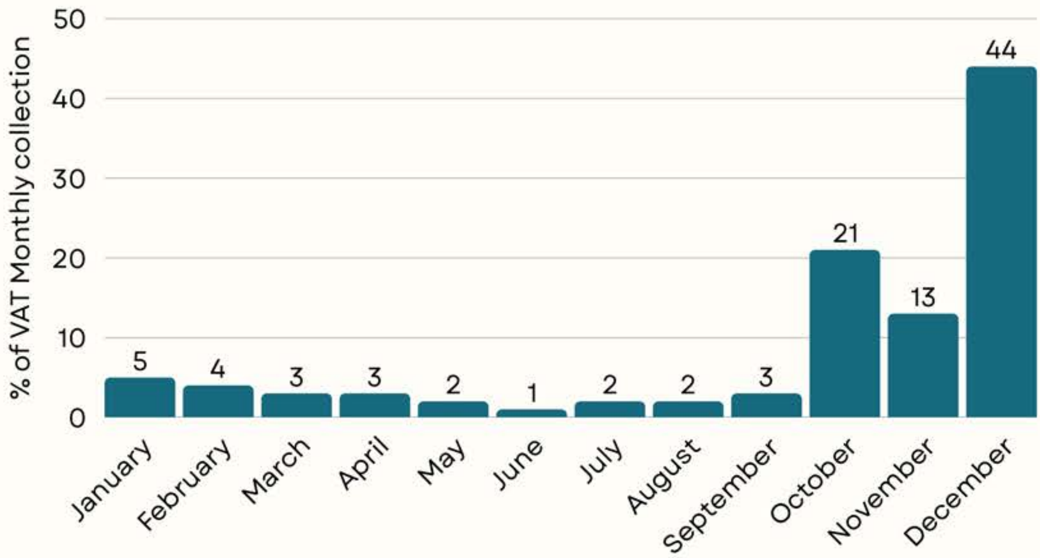
Immovable property tax collections amounted to SCR 49.89 million in 2024. The initial projection in the published budget was set at SCR 72.54 million but was later revised downward by SCR 36.98 million. Overall, total collection was above target, with the tax line exceeding the end-of-year budget by SCR 14.33 million.

Collection of Immovable Property Tax for the Years 2020 - 2024 (SCR Millions)

	2020	2021	2022	2023	2024
IPT	0. 79	44. 68	29. 27	35. 27	49. 89

Revenue collected for the fiscal year 2024 increased by 41% compared to the previous fiscal year, 2023.

Monthly Collection of Immovable Property Tax



Collection of GST Arrears for the Year 2024 (SR Millions)

	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
GST Arrears	0. 65	0. 15	(0. 50)	-	-	-	0. 15	0. 15

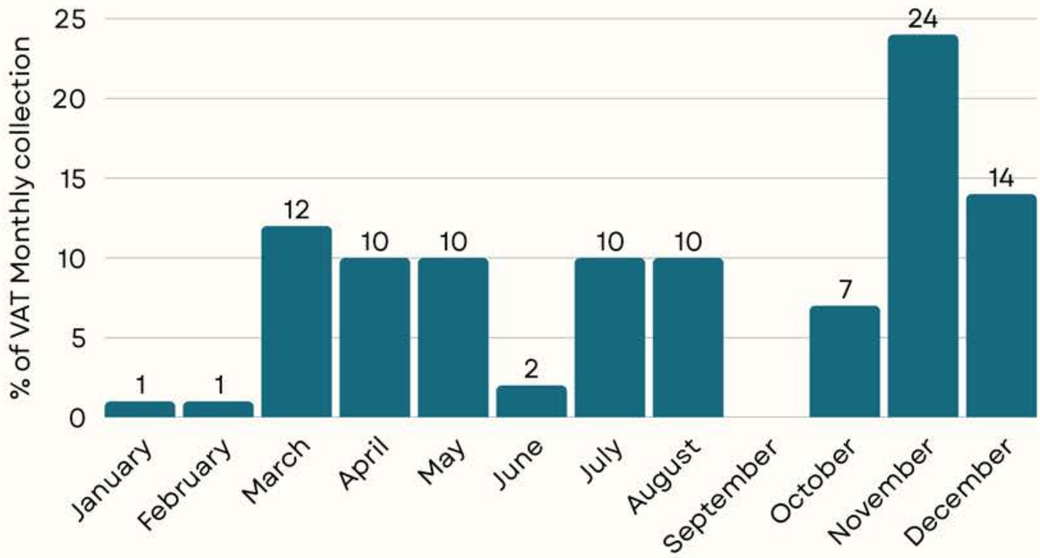
In 2024, the organization collected SCR 0.15 million in GST arrears, representing a decrease of SCR 0.50 million compared to the total amount recorded in 2023.

Collection of GST Arrears for the Years 2020 - 2024 (SCR Millions)

	2020	2021	2022	2023	2024
GST Arrears	1.74	2. 36	0. 66	0. 65	0. 15

GST arrears collections have steadily declined from SCR 2.36 million in 2021 to SCR 0.15 million in 2024.

Monthly Collection of Immovable Property Tax



Collection of Accommodation turnover tax for the year 2024 (SCR Millions)

	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
ATT	102. 1	122. 4	20. 3	132. 09	116. 92	(15. 17)	(9. 69)	5. 47

In 2024, Accommodation Turnover Tax collections rose to SCR 122.40 million, reflecting an increase of SCR 20.30 million compared to 2023. While the figure was SCR 9.69 million below the published budget, it outperformed the end-of-year target by SCR 5.47 million.

Collection of Immovable Property Tax for the Years 2022- 2024 (SCR Millions)

	2022	2023	2024
ATT	-	102. 1	122. 4

Accommodation Turnover Tax (ATT), introduced in 2023, recorded its second year of implementation in 2024. Collections rose from SCR 102.10 million in 2023 to SCR 122.40 million in 2024, reflecting a 20% year-on-year increase. The upward trend highlights the continued integration of the tax into the accommodation sector and improving levels of compliance.

Tourism Sustainability Levy

Collection of TESL tax for the year 2024 (SCR Millions)

	Total Collection 2023	Total Collection 2024	Variance	Published budget 2024	EOY Budget 2024	Variance	Total Collection 2024 diff with Pub Budget	Total Collection 2024 difference with EOY Budget
TESL	60. 41	163. 69	103. 29	195. 79	172. 05	(23. 74)	(32. 10)	(8. 35)

Collection of TESL for the Years 2022- 2024 (SCR Millions)

	2022	2023	2024
TESL	-	60. 41	163. 69

Introduced in 2023, the Tourism Environmental Sustainability Levy (TESL) recorded collections of SCR 163.69 million in 2024, a substantial increase from SCR 60.41 million in its inaugural year. While the published budget had initially set the target at SCR 195.79 million, the estimate was later revised downward to SCR 158.22 million. The final collection exceeded the end-of-year target by SCR 5.47 million, reflecting improved compliance within the sector.

Collection of Other Non-Tax Revenue for the Years 2020 - 2024 (SCR Millions)

	2020	2021	2022	2023	2024
SLA	**195. 01**	**-**	-	-	-
Other fines and fees	**133. 81**	**108. 29**	127. 67	105. 83	130. 84
SSF Arrears	**10. 46**	**11. 31**	11. 56	11. 58	11. 63
Unidentified items	**(1. 37)**	**4. 19**	17. 69	65. 89	56. 28
Court Deposits	**(0. 14)**	**(0. 14)**	(0. 14)	-	-
Total	**337. 78**	**123. 65**	**156. 78**	**183. 3**	**198. 75**

SRC collected SCR 198.75 million in 2024, which signifies an 8.4% increase when compared against the SCR 183.30 million collected in 2023. This includes SCR 56.28 million in unclassified items for the year.

Refunds

Refunds Issued from 2019-2024 (SR Millions)

	Income Tax	Customs Duties	Excise Tax	Business Tax	CSRT	TMT	VAT	Presumptive Tax	Property Tax	Environ emntal Levy	Hotel Turnover Tax	Total Refunded
2018	3.36	1.19	84. 37	98. 21	0. 50	-	92. 97	4. 00	-	-	-	**284. 6**
2019	3. 54	2. 65	141. 08	143. 52	0. 09	-	85. 24	5. 08	-	-	-	**381. 2**
2020	3. 41	1.05	127. 71	96. 56	0. 07	0. 20	116. 92	6. 23	-	-	-	**352. 15**
2021	3. 20	1.26	91. 63	88. 81	0. 12	0. 04	116. 19	3. 81	-	-	-	**305. 06**
2022	4. 24	1.24	125. 24	198. 69	1. 33	0. 88	125. 15	3. 22	-	-	-	**460. 00**
2023	1. 25	1.62	128. 86	107. 21	0. 07	0.00	302. 17	1.34	0. 01	-	-	**544. 22**
2024	0. 96	0. 06	135. 45	33. 17	2. 02	0. 03	394. 85	0. 39	1.24	0.0		**568. 16**

SRC issued a total of SCR 568.16 million in refunds for the year 2024, marking a 4.4% increase compared to 2023.

To further enhance revenue collection efforts, SRC has implemented several strategic initiatives. These include proactive measures to combat VAT fraud, and prioritizing the collection of outstanding debts through targeted follow-ups and legal means. Additionally, SRC encouraged the use of Tax Clearance Certificates to incentivize debt payment and conducted rigorous audits to ensure compliance with tax regulations. To minimize revenue leakage, SRC has also strengthened quality control measures for imported goods. These Strategies include;

Top 50

The Seychelles Revenue Commission's Top 50 Audit Project aims to conduct a thorough examination of the highest-risk cases across 8 key sectors within the Audit Division. By focusing on transfer pricing, business tax, VAT, and other tax types, this initiative seeks to reduce the tax gap, enhance tax assurance, and promote market compliance. The expected outcomes of the Top 50 Audit Project include a reduction in the tax gap, increased tax assurance, a positive influence on market behavior, and strengthened international collaborations. By identifying and addressing instances of tax evasion or underpayment, the project aims to ensure that the correct amount of tax is being paid. Additionally, the visibility of audit activities is expected to promote compliance among taxpayers.

To date, the first wave of 22 audits has been initiated across various sectors. A second wave of 33 cases has been identified, and requests for related party dealings schedules have been sent. The information gathered from these cases will be used to select the next round of audits to be included in the project pipeline. The Top 50 Audit Project represents a significant step towards improving tax administration and enforcement in the Seychelles

Top 100 / top8

The SRC has prioritized the collection of outstanding debts through targeted follow-up and legal means. By implementing effective debt recovery strategies, the SRC is ensuring that taxpayers fulfill their obligations and contributing to the government's financial stability.

Currently SRC is grappling with a substantial debt burden that has accumulated over two decades. The total outstanding debt exceeds SR1 billion, encompassing a wide range of tax liabilities. To address this pressing issue, the Executive Management has prioritized a debt recovery project focused on the Top 100 cases.

The project, to be executed by a dedicated team within the Enforcement Section, aims to expedite the collection of these high-priority debts. By reviewing and verifying the status of each case, the team will determine the most effective recovery strategies. While efforts will be made to collect as much debt as possible, there may be instances where debts are deemed non-collectible and require consideration for write-off.

The Top 100 Cases project is expected to yield several benefits for the SRC. Increased debt collection, reduced collection timeframes, and a gradual reduction in the stock of debtors are anticipated outcomes. Moreover, the project aims to minimize the risk of debts being written off, thereby preserving the SRC's financial resources.

Furthermore, The SRC established the Investigation, Risk, and Intelligence Section (IRIS) in November 2023 to mitigate tax evasion within its jurisdiction. IRIS is mandated to develop effective strategies to combat tax evasion and fraud, and to operationalize the strategies by, amongst others, undertaking both civil and criminal-related inquiries and investigations. The unit in collaboration with other enforcement agencies the is Carrying out top 8 investigation to reduce on the outstanding debts in sectors

Customs Revenue Projects

The SRC has taken a proactive stance against VAT fraud. By identifying and addressing high-value fraud cases, the SRC is not only protecting government revenue but also ensuring a level playing field for honest businesses.

The SRC has also implemented a Green Lane Bills of Entries system, which allows for expedited clearance of low-risk shipments. During 2022 and 2023, a total of 9,047 bills of entry were selected for the red lane, 10,974 for the yellow channel, and 20,021 for the green lane at the Seaport. Out of the 29,999 bills of entry, 9,978 declarations required amendments or clarifications, indicating a 33.3% error rate.

To ensure accurate tax assessments, the SRC has conducted quality checks on bills selected for the Green Lane, involving both the Airport and Seaport offices. These checks have increased to verify that bills assigned to the Green Lane are accurate and that taxes have been collected correctly. Both offices, Airport (SCAC) and Seaport (SCPO), have participated in this exercise.

To enhance our auditing capabilities and address potential non-compliance issues, the SRC has initiated a review of 15 cases selected from data between April 2021 and December 2023. These cases were chosen based on their perceived risk and the potential for misclassification of goods. Goods that have been selected for the Green Lane will be retrieved and compared to identify potential audit cases.

Part 3: Performance information

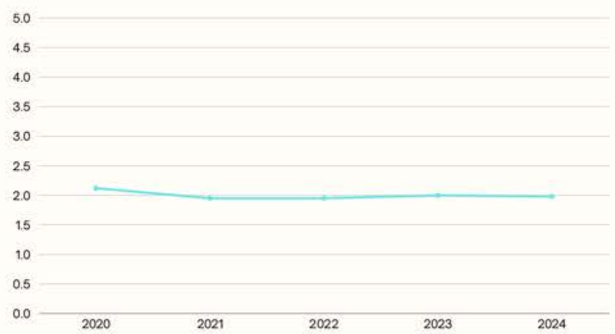
Strategic objective 1

Maximize revenue collection by strengthening internal processes, debt management and suppressing non compliance

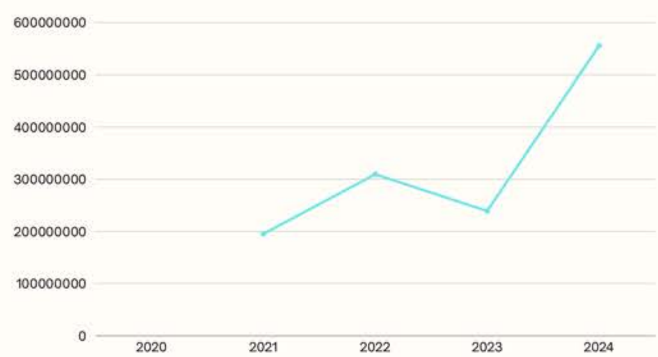
The Revenue Authority has made significant strides in fulfilling its mandate during this reporting period. A cornerstone of SRC success has been the proactive strengthening of our institutional capacity. The establishment of the Investigation, Intelligence, and Risk Unit provides a crucial framework for data-driven decision-making and targeted interventions against revenue leakages and compliance risks. Complementing this, substantial investments in capacity building, particularly in specialized areas like transfer pricing and modern tax administration techniques, ensure our staff are equipped to handle increasingly complex tax issues and adapt to evolving international best practices.
This commitment to professional development is further reinforced by the comprehensive review of our scheme of service and job descriptions, aligning roles and responsibilities with our core objective of maximizing revenue collection and fostering a performance-driven culture.

These internal improvements have paved the way for significant advancements and increase in revenue collection itself. Importantly, this growth has been achieved while maintaining a stable cost of collection, demonstrating our commitment to efficient resource utilization.Strategic revenue collection initiatives, focusing on collection of debts and tax evasion cases have yielded a total of SCR 64, 386, 007. 63 during the period of October-December 2024.

Cost of collection over the past 5 years



Arrears collected over the past 5 years



Our modernization efforts, driven by technology, have also been instrumental in streamlining processes and enhancing taxpayer experience. The implementation of the Tax Management System (TMS) and the upgrading of ASYCUDA, including the launch of new modules like E-payment have significantly improved operational efficiency. The imminent launch of the taxpayer portal promises to further empower taxpayers with convenient access to services, information, and online filing capabilities, encouraging voluntary compliance.

These technological advancements are complemented by a renewed focus on improving compliance and fostering collaboration. The positive trend in compliance rates since 2023, reflecting the effectiveness of our enforcement strategies and taxpayer education initiatives, is a testament to this focus. Strategic partnerships, formalized through MOUs with key local agencies like the Post Office, Banker's Association, and the Financial Intelligence Unit (FIU), have strengthened our network and facilitated information sharing crucial for combating tax evasion and financial crimes. Our participation in the TIWB investigation initiative further underscores our commitment to international cooperation and transparency. The review and updating of our enforcement strategy ensure its continued effectiveness in addressing non-compliance and promoting a fair tax system. In conclusion, SRC's achievements this period reflect a dedicated focus on modernization, capacity building, and strategic partnerships, all geared towards maximizing revenue collection and promoting voluntary compliance. We are confident that these ongoing efforts will continue to yield positive results and contribute to the sustainable growth of Seychelles.

Based on the Compliance improvement plan report for this year, SRC's performance can be described as satisfactory. This shows SRC's commitment and efforts towards increasing compliance and hence achieving its mandate of collecting revenue. This was achieved by adopting differentiated risk treatments in line with the compliance pyramid which proposes different treatments based on taxpayer's behavior. The aim for 2025 will be to improve upon the strong performance, all whilst taking into account limited resources and other priorities. The quarterly targets can be seen on the next page

Month	YEARLY BASELINE	2024 ACTUAL RATE	VARIANCE/YoY CHANGE
On-time registration rate	66%	72%	16%
VAT Filing Rate	72%	72%	0%
VAT on-time filing rate	**68%**	**65%**	**-3%**
Business Tax filing rate amongst new registrants	68%	89%	21%
Business Tax Annual filing rate	61%	84%	4%
% rate of accurate reporting as per audit findings	17%	21%	4%
% Debt collection rate	22%	25%	3%
Average Compliance Rate	53%	63%	10%

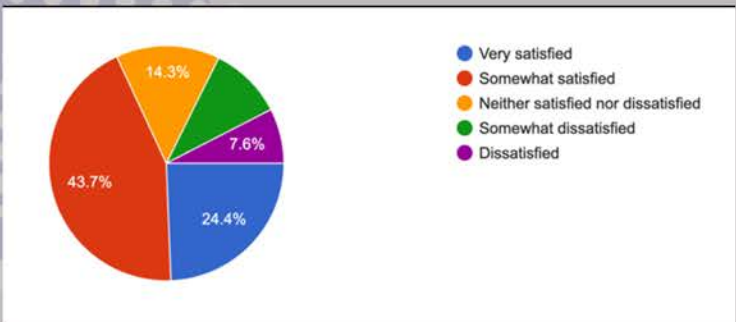
In general, there was an improvement in the compliance performance across the different obligations and main tax types. This is a result of both facilitative and enforced compliance activities undertaken by SRC. One of the main ways SRC has facilitated compliance is through the large number of education activities by the TESD throughout the year. Education of the taxpayer population is a very important tool to increase voluntary compliance. On the enforcement side, they have made better use of debt recovery powers under the law such as Section 24 and increasing the efficiency in clearing new debts overall.

Strategic objective 2

Empower and enable all taxpayers to timely meet their obligations through innovative processes and trade facilitation initiatives

The Seychelles Revenue Commission has prioritized enhancing taxpayer engagement and accessibility through a multi-faceted approach encompassing education, communication, and service delivery improvements.

A significant investment has been made in increasing educational awareness and outreach, with over 40 major initiatives implemented to inform taxpayers about their rights and obligations. This proactive approach to taxpayer education is complemented by a strengthened social media presence, enabling us to engage with a wider audience and disseminate information more effectively.



Did you know 43.7% of taxpayers believe that SRC provides adequate tax and customs education to taxpayers and traders, while 24.4% expressed very strong satisfaction.

Recognizing the importance of professional development within the tax administration field, we have also established an SQA-certified course at the SBSA, ensuring our staff are equipped with the latest knowledge and skills. Transparency and accountability are paramount, and to this end, we have reviewed and published a comprehensive taxpayer's charter and service standards, clearly outlining our commitment to providing quality service. Collaboration remains a key strategy, and we have actively partnered with other local agencies to better support the needs of taxpayers and traders, fostering a collaborative ecosystem.

Finally, to enhance accessibility and convenience, we have successfully decentralized SRC services, particularly during peak hours, and expanded our physical presence through the establishment of new offices. This decentralization ensures that taxpayers can access essential services more easily, reducing wait times and improving overall satisfaction. These combined initiatives demonstrate our dedication to fostering a positive and productive relationship with taxpayers, built on education, transparency, and accessible service delivery.

Further to enhancing service delivery, the SRC continued its commitment to leveraging technology to streamline processes and improve taxpayer convenience in 2024. Key initiatives in this digital transformation journey included the successful launch of the e-Payment platform and the significant development and initial testing of the Online Tax Portal.

Under the guidance of the Acting Director of the Airport Cargo unit, the e-Payment project was successfully launched in May 2024. This platform provides a convenient avenue for taxpayers to settle their obligations electronically. Notably, the initial adoption of the e-Payment system has been strong among customers importing personal items via courier services, with a total of 2,428 transactions recorded within the first six months of operation.

A key achievement of the year was the development and initial testing of the Online Tax Portal. This intuitive platform promises a considerable enhancement in taxpayer convenience by offering several essential digital services, including.; Digital Payment, Electronic Return Filing and virtual Registration Services.

Seychelles registered 10, 769 cases for export and verified 2063

- 2502 frozen fish
- 4400 frozen fish transshipment export
- 2430 canned tuna;
- 312 fish meal
- 18 sea cucumber
- 3 shark fins
- 22 personal effects
- 30 cigarettes
- 4 vehicles
- 7 boat/ yachts
- 51 crude oil
- 202 scrap metal

Strategic objective 3

Enhance Border security and strengthen detection to proactively identify criminal activities.

Enhancing border security has been a central focus, driving proactive revenue collection strategies and collaborative partnerships. A key element of this effort has been the implementation of Post Clearance Audit (PCA) strategies, specifically designed to identify and deter criminal activities. These strategies have been instrumental in contributing to a collection of SCR 5,867,387.63 from post clearance audits

Strengthening interagency collaboration, we have formalized partnerships through the signing of MOUs with the Mahe Shipping, Postal Regulator and Hunt Deltel Post Office and the Seychelles Police Force (SPF). These agreements facilitate information sharing and joint operations, enhancing our collective ability to secure borders and combat illicit trade.

Furthermore, we have actively engaged with national partners, organizing over 100 joint activities aimed at strengthening border security and promoting compliance. Our efforts have also extended to drug detection, with twenty successful detections achieved.

2024 marked a pivotal year in Seychelles' journey towards modernizing its customs administration, with the finalization of preparations for accession to the World Customs Organization's (WCO) Revised Kyoto Convention (RKC). While the formal Instrument of Accession will be deposited in 2025, the groundwork laid throughout 2024 was crucial to this achievement.

The RKC is a foundational international agreement designed to simplify and harmonize customs procedures globally. As a Small Island Developing State heavily reliant on international trade, Seychelles' commitment to acceding to the RKC underscores its strategic focus on improving efficiency, attracting foreign investment, and enhancing its seamless integration into the global economy. This move aligns perfectly with the nation's broader trade and economic reform agenda, explicitly aiming to streamline border processes, reduce trade costs, and foster predictability for businesses, thereby significantly aiding trade facilitation as well as adhering to best practices that strengthen border protection through effective risk management. By embracing the RKC's core principles of transparency, predictability, and the maximum use of information technology, Seychelles is actively cultivating a more conducive and efficient environment for international commerce.

This comprehensive preparation involved reviewing existing customs practices, identifying areas for alignment with RKC standards, and initiating necessary procedural adjustments. Seychelles lodged reservations against specific Recommended practices, indicating areas where full implementation will occur progressively as capacity and infrastructure further develop. These include:

- Specific Annex A.1: Recommended Practice 12
- Specific Annex B.2: Recommended Practice 15
- Specific Annex B.3: Recommended Practices 6 and 7
- Specific Annex D.1: Recommended Practices 7 and 9
- Specific Annex D.2: Recommended Practice 9
- Specific Annex G.1: Recommended Practice 23
- Specific Annex J.4: Recommended Practices 4, 11, and 12
- Specific Annex J.5: Recommended Practices 4, 5, and 6

Finally, significant preparatory work has been completed for the UNODC-WCO Container Control Programme, positioning us to effectively participate in this vital international initiative to combat transnational organized crime and secure global trade. These combined efforts demonstrate our commitment to enhancing border security through proactive strategies, interagency collaboration, and international partnerships.

Signing of MOU with postal stakeholders

Did you know? Traditionally, the role of customs officers has been understood for only imposing and collecting taxes. However the role of customs officers also include;

- Examination and clearing of goods.
- Enforcement of customs legislations
- Clearance of passengers
- Control of prohibited and restricted goods.
- Collection of trade statistics.
- Border Management

Improve Efficiency and Enhance Compliance with our international commitments

Given the increasing reporting and monitoring requirements to meet these international standards, SRC found it necessary to set up an International Tax Unit in 2020 to handle all the related international tax matters. The Unit comprises of one Manager and five officers.

The SRC as the Competent Authority is tasked with the responsibility of ensuring that Seychelles complies with its international tax and financial obligations including the:

- Exchange of Information on Request ("EOIR");
- Automatic Exchange of Information AEOI (Common Reporting Standards(CRS)) for financial institutions;
- Country by Country reporting for multinationals under CbC Multilateral Competent Authority Agreement; and

Throughout the year, the Unit has been heavily involved in the discussions and negotiations together with the Ministry of Finance, FSA and other parties in the Offshore Sector to improve on the rating for Seychelles with the Global Forum on Transparency and Exchange of Information for Tax Purposes and the OECD.
All members of the Inclusive Framework on BEPS (including SRC) committed to implementing the Action 5 minimum standard and has thereby committed to participating in annual peer reviews.

Currently there is an annual monitoring process for the monitoring of the substantial activities requirements in non-IP regimes, and also the monitoring of certain preferential regimes (IP regimes, potentially harmful but not actually harmful regimes).

In December 2023 Seychelles requested for a second supplementary peer review on the basis that significant improvements has been made in regards to the quality and timeliness of the exchange of information upon requests. In February 2024, the Peer Review Group (PRG) of the Global Forum approved the proposal that the country qualifies for a supplementary review and that the same will be launched in 2025 including an on-site visit by the assessment team.

In line with their listing criterion, the EU Council accordingly moved Seychelles to Annex II of their list (the "grey list").

In order for Seychelles to be removed from the list altogether in relation to this specific criteria of the list, the Seychelles will need to achieve a rating of at least Partially Compliant in the Supplementary Report resulting from the review in 2025. In 2024 SRC completed 38 were 34 was successfully completed within the set standard timeframe of 90 days.

Seychelles has also undergone a peer review of the legal framework as well as a desk based peer review of the effectiveness of the legal framework ensuring compliance of the Financial Institutions with their due diligence, reporting and record keeping obligations. A first report was published in 2022 concluding that the legal framework is ' In Place but needs improvement' and as for the effectiveness in practice Seychelles was found to be non-compliant.
To undergo a full review with an onsite visit for the AEOI CRS Seychelles had to show progress to the APRG by submitting an updated Administrative Compliance Framework Questionnaire (ACFQ) no later than September 2024.

Since 2022, the Secretariat of the Global Forum on Transparency and Exchange of Information for Tax Purposes has been delivering a capacity-building programe to its member jurisdictions. This programe is supported by development partners through financial contributions thus Seychelles received technical assistance under the European Union Funded Technical Assistance for the Exchange of Information in preparation for the supplementary peer review. The technical assistance assisted with the development of the Administrative Compliance Strategy which was successfully approved and submitted in September 2024 Seychelles is now subject to a second round of effectiveness review.

If approval is granted by the APRG, Seychelles may undergo its onsite visit in Q2 2025.

For the year ending 31 December 2024 CRS files were sent to 73 jurisdictions, from that 96% were accepted or to date we have not yet received any response and therefore one can accept that the files were accepted. Seychelles received a total of 142 CRS files from 77 peers for the year 2024. 92% of the respective status messages were sent. Seychelles also received a total of 50 Country by Country reporting files

Strategic objective 5

Cultivate a well-equipped, resilient, committed and engaged workforce to improve public trust

Under Strategic Objective 5 "Cultivate a well-equipped, resilient, committed and engaged workforce to improve public trust," the Seychelles Revenue Commission (SRC) has continued to prioritize the development and well-being of its staff, yielding positive outcomes across various indicators. To foster team cohesion and enhance social interaction, various team-building and social activities were organized, including a successful hike.

Recognizing the critical importance of employee health, a comprehensive health and wellness initiative was implemented, featuring impactful breast cancer awareness programs and essential fire marshal training. A pivotal development in strengthening our human resources framework was the establishment of an HR committee, dedicated to employee support and policy enhancement. Furthermore, the introduction of a new uniform and uniform policy has contributed to a more unified and professional image for the SRC.

Investing in continuous staff development remained a cornerstone of our strategy. To directly address revenue leakage, targeted training opportunities were implemented for Audit staff at introductory, intermediate, and advanced levels, alongside specialized training in Transfer Pricing. We also identified trainers for the crucial area of Exchange of Information. To further embed knowledge and skills, trainers and supervisors within the Tax Division delivered refresher training in the form of short, in-house sessions to other Tax staff. The Basic Entry Training Tax Program underwent a review, with trainers actively contributing to its improvement. Moreover, dedicated trainers delivered essential training to both experienced Tax Officers and new recruits. Recognizing the importance of leadership development for the future of the SRC, 16 staff members from all divisions, identified through succession planning, completed comprehensive leadership training.

To ensure consistent application of processes and enhance understanding, a sensitization brochure and handbook were prepared and disseminated. Furthermore, to promote awareness of HRD training policies, three informative leaflets detailing relevant procedures and HRD policies were implemented. Demonstrating the commitment and capability of our workforce, 60.7% of staff achieved a performance rating above 80% in their performance contracts. Notably, the SRC has also seen a positive trend in staff retention, achieving a staff retention rate of 107%, alongside a significant 21% decrease in the number of reported cases of misconduct. These collective initiatives, supported by comprehensive training programs including 44 employees in local academic courses, 8 in international academic courses, 37 in short local courses, 28 benefiting from HR College training, and 72 attending international short courses, have demonstrably contributed to a more resilient, engaged, highly skilled, and ethically grounded workforce, ultimately strengthening public trust in the SRC

Staffing

Executive: **39**
Support Services: **24**
Taxation Division: **118**
Customs Division: **173**

Gender

Male: **20%**

Female: **80%**

Employee engagement survey

Participants: **220**
Percentage: **55%**

Employee satisfaction rate: **32.6%**

Training

Local Academic course **44 staff**
International academic courses **8 Staff**
short local courses: **37**
HR College short course: **28**
International short programs: **84**
WCO e-learning click: **149**



25
20

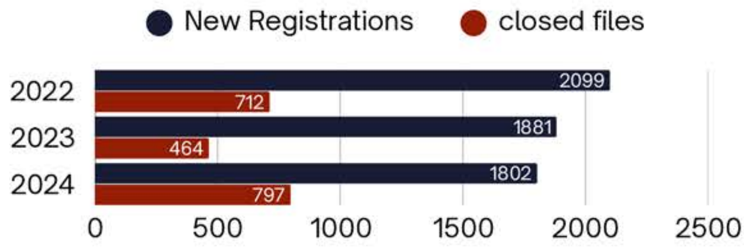
SRC



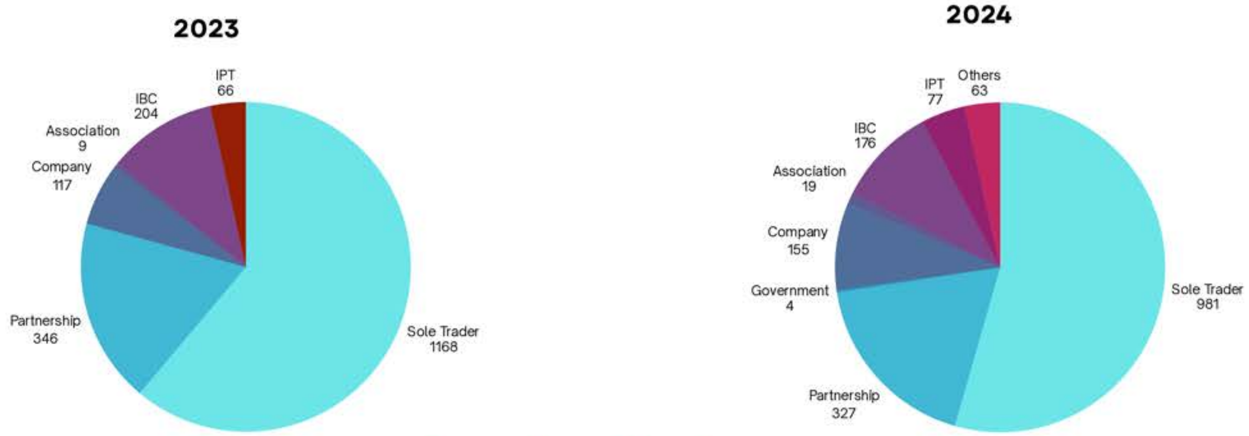

Part 4: Taxation

The Revenue Administration ACT 2009 dictates that all businesses operating in Seychelles should be registered with the Seychelles Revenue Commission. This is important to maintain a robust and up to date database of taxpayers, to facilitate processes, monitoring purposes and enhancing service delivery for the taxpayers themselves. Registration is handled by the registry unit. The process needs to be completed within 1 day upon receipt of the application form.

Taxpayer registration for the period 2022-2024



Comparative figures for new business registration by entity type



Cessation of Business

Entity type	2023	2024
Sole Trader	351	507
Partnership	89	107
Investment	3	0
Government	-	0
Company	15	59
Association / non- taxpayers	-	0
TRUST	-	0
IBC	6	1
Others	0	123
Total	**464**	**797**

VAT Registration

Currently, the mandatory VAT registration threshold is SR 2 million, based on the business annual taxable supplies. Any person with annual taxable supplies of less than SR 2 million can register on a voluntary basis. There has been an increase of 1.5% in the total number of new VAT registration in 2024 compared to 2023

	2023			2024		
Entity type	**Voluntary**	**Compulsory**	**Total**	**Voluntary**	**Compulsory**	**Total**
Sole Trader	17	19	36	12	41	53
Partnership	2	16	18	10	17	27
Company	20	60	80	13	42	55
Others	0	0	0	**0**	1	1
Total	**39**	**95**	**134**	**35**	**101**	**136**

Filing Compliance and Refund

On time filing of VAT returns

2023

84%

Outstanding return: 1, 433

2024

66%

Outstanding return: 2, 156

On time filing of tax returns (Business tax and presumptive tax)

2023

65%

Outstanding return: 345

2024

65%

Outstanding return: 2, 142

VAT on-time filing Rate (unfavorable variance) target was 68%
Interestingly, this was the only metric that underperformed for the year. There are a number of reasons to explain this. Firstly, the Returns Processing Unit (RPU) has been restructured and the change in monitoring process has made it more complicated for staff to issue reminders to taxpayers. Also related to this is the fact that the RPU is currently understaffed to meet the volume of work on their hands.
A very important factor for the performance may be that the Late Lodgment Penalty was not being imposed for the whole of 2024, which may have otherwise acted as a deterrent for taxpayers. Finally, within the TMS, there was a data quality issue leading to inaccurate reporting of the VAT on time filing rate.

SRC issued a total of 9450 reminder letters for submission of business tax returns. 7.8% of taxpayers filed their declarations after being issued with the letter. Taxpayers who do not respond to reminder letters are issued with a notice of assessment.

Refunds

Total refunds:
SCR 568.16 million
4.4% increase from 2023

1. **VAT 394. 85 million**
2. **Excise Tax; 135. 45 MILLION**
3. **Business Tax 33. 17 million**
4. **CSRT: 2. 02 million**
5. **Income Tax: 0. 96 million**

The Audit unit completed a total of 221 cases compared to a planned 250 cases representing an achievement of 88%. Total revenue was SR 288.4 million compared to planned revenue of SR 198 million representing an achievement of 146%.

Achievement of audit outcomes vs planned outcome

Small

Completed Cases: 10
Planned Cases: 20
AUDIT outcome: 2.000,000
Planned Outcome: SCR 1, 119, 716
Achievement: 56%

Medium

Completed Cases: 184
Planned Cases: 195
AUDIT outcome: SCR 79, 193, 665
Planned Outcome: 55, 000, 000
Achievement: 144%

Large

Completed Cases: 27
Planned Cases: 20
AUDIT outcome: SCR 208, 096, 260
Planned Outcome: 20, 000, 000
Achievement: 104%

The audit outcome at the end of 2023 amounted to SR 526, 469, 5854. This represents an incease compared to the fiscal year 2022. The highest contributor was Business Tax, with a total of 59 cases, amounting to SR262, 771, 028.

Audit outcome for the period 2023-2024

Tax type	2023		2024	
		Amount (SCR)	No. of cases	Amount (SCR)
Business tax	59	262, 771, 028	87	53,206,473
CSRT	47	8, 820, 248	49	3,975,161
GST	1	0	1	588,190
Income Tax	22	62, 612, 363	23	3,456,674
SSC	0	0	0	0
TMT	14	2, 978, 853	13	921,990
VAT	20	189, 205, 563	44	19,290,612
Witholding Tax	1	81, 529	4	206,970,541
Total	**164**	**526, 469, 584**	**221**	**288,409,641**

Tax yields from audit assessments for the period 2023-2024 (SCR)

Tax type	2023	2024
Business tax	23, 099, 812. 31	4,391,720.42
CSRT	3, 936, 791. 98	4,694,053.35
GST	2, 637. 21	588,190.06
Income Tax	46, 165, 665. 94	3,729,887.57
TMT	448, 052. 94	2,359,154.68
VAT	49, 750, 291. 04	75,221,321.39
Witholding Tax	-	-
Total	**123, 403, 251. 42**	**90, 984, 327. 47**

Our audit projects throughout the year were strategically designed to achieve multiple critical objectives,. By building specialized industry knowledge, our audit teams gain deeper insights into specific sector operations, common business practices, and potential areas of non-compliance, enabling more targeted and effective interventions. This enhanced understanding directly translates into significantly improved taxpayer compliance, as taxpayers are deterred from non-compliance when they perceive the tax administration has a strong capacity for detection.-

121

Intelligence activities

The Intelligence Unit within SRC, is responsible for identifying, analyzing and assessing areas of risk for audit purposes. In 2024, the Intelligence Unit referred a total of 119 cases to the Audit Section and 2 to the Registration Unit.

Aged Cases

One of the audit unit's objectives was to reduce the percentage of aged cases (Above 12 months) to less than 20% by the end of the year.

The percentage of aged cases was reduced from 69% to 48% by the end of the year. Cases took longer to complete due to available resources, time taken for submission of information from tax agents and taxpayers, and complexity or technical issues associated with the case.

Transfer pricing

The business tax amendment enacted at the end of December 2022 includes new provisions for transfer pricing. The World Bank assisted us to finalize the general transfer pricing regulations to provide clarification of the new rules and their interpretations and also to explicitly indicate the actions that taxpayers are required to take in order to comply with the new legislation. The transfer pricing regulations were published on the 9th of October 2023. SRC is conducting risk reviews to identify potential cases for Transfer Pricing audit. A technical advisor was recruited and with the assistance of a TIWB (Tax Inspectors Without Borders) Transfer Pricing expert, is continuously building the capacity of the SRC officers in the Transfer Pricing area through on the job training and workshops. A total of 10 transfer pricing cases were completed by the end of December 2024, with 17 in progress.

The Enforcement Section has the responsibility to collect debt due to the Government that has not been remitted to the SRC on the due date.

Uncollectible debt

Year	Amount (SCR)
Prosecution	321, 843, 891. 93
Possible write-off cases	229, 753, 221. 64
Cases at revenue tribunal	166, 236, 958. 49
Objection cases	33. 276,161. 21
Total Uncollectible debt	**SCR 751,110,233.27**

Total debt: SCR 1,613,411,111.59
Total collectible debt: SCR 862,300,878.32
Total Uncollectible debt: SCR 751,110,233.27

Collectible debt

Collectible debts may be defined as the debts unpaid, and which are not in dispute. At the end of the financial year 2024, the total collectible debts amounted to **SR 862,300,878.32,** which is SR 349,540,880.75 more than in 2023.

Debt pursuit

Debt pursuit is part of the SRC's Enforcement Strategy which basically prevents the accumulation of current debts. The aim of this strategy is to reduce total arrears, limit the accumulation of debt, increase revenue collection and improve the effectiveness of enforcement activities. The Enforcement Unit strives to collect maximum taxes directly from the client rather than through third parties or the Court.

The strategy to prevent new debts from accumulating remains an SRC priority. This is done through a small unit in Enforcement called Debt Pursuit. A total of 9582 were recorded, amounting to SR457. 5 million of primary tax. that is 5552 cases more than 2023.
The Enforcement Section will continue to recover the debts through other actions to prevent further accumulation.

Arears collected for the years 2021-2023

Year	Amount (SR)
2021	195, 239, 813. 50
2022	309, 368, 867. 37
2023	239, 175, 019. 45
2024	555, 481, 694. 24

Section 24 notices

Year		Amount (SR)
2021	**25**	19.8m
2022	**54**	23.4m
2023	**15**	1.9m
2024	**51**	4.5m

SRC Enforcement section

- **Conducted 84 field works**
- **Sent 98 notice to attend**
- **Allowed for 101 payment by installment amounting to SCR 19, 592, 632. 27**
- **Issued 51 Section 24 Notices amounting to SCR 4,506.151.48**
- **Conducted 360 Bank Searches**
- **360 Compromised agreements**
- **Referred 161 cases to immigration**
- **and 9 to prosecution at a value of SCR 8, 726, 179.17**

The total collection of arears recorded as at 31st December 2024 amounted to SR 555, 481, 694. 24, with the biggest contributor being the Business Tax (SR 198.5 million) followed by Immovable property tax (SR 20 million) and VAT (SR 6 million).

Arrears collected for the period 2023-2024 by tax type

Tax type	2023	2024
Business tax	198, 505, 960. 44	513,445,302.07
Presumptive Tax	3, 457, 473. 03	17,395,508.26
GST Assessment	2, 742, 112. 36	1,333,976.95
Withholding Tax	310, 892, 64	81,529.70
SSF Arrears	-	
Income Tax	3, 226, 647. 28	3,791,522.71
Value Added Tax	6, 409, 573. 50	11,309,332.33
Corporate Social Responsibility Tax	3, 150, 438. 10	3,171,949.09
Tourism Marketing Tax	1, 159, 921. 64	1,059,721.59
Immovable property tax	20, 212, 110. 46	3,892,852.94
Total	**239, 175, 019. 45**	**555,481,695.64**

Debt to Revenue collection Ratio

Undisputed tax debt to revenue collection ration for the years 2022-2023

Details	2024
Collectible Debt	862,300,878.32
Total Tax Collection	8, 604, 034, 477. 41
Debt collection efficiency ratio	**10.02%**

Age of collectible tax debt

Age of collectible tax debt as at 31s December 2023

Length of time	Amount (SR)
Less than 3 months	73,679,456.60
3 - 6 months	165,504,067.21
6- 12 months	218,327,878.20
More than 12 months	1,155,899,709.58
Total	

The above table exhibits the collectible debt segmented by age of debt. Revenue administration experience shows that the older a debt is, the more difficult it becomes to collect. At the end of the financial year of 2024, debts more than 12 months old amounted to SR 1, 155, 899, 709. 58.

Tax Clearance certificates issued

Number of applications received: 2458
Number of cases pending: - 0
Number of cases declined: 118
Number of tax clearance issued: 2348

Objections and Appeals

Tax type	Cases Lodged				Cases determined			
	2023		2024		2023		2024	
	No.	Amount (SR)	No.	Amount (SR)	No.	Amount (SR)	No.	Amount (SR)
Business tax	16	55, 028, 015. 57	15	48,667,807.34	15	90, 743, 341. 32	26	65,712,984.88
Presumptive Tax	1	43, 278. 88	1	3,800.26	6	134, 310. 85	1	6,371.87
TMT	3	280, 153.72	5	1,169,706.95	3	575, 541. 96	5	1,487,841.68
CSRT	12	2, 213, 660. 87	13	1,919,517.09	16	8, 481, 539. 45	21	3,133,815.49
VAT	8	45, 698, 731. 65	7	21,741,734.42	9	45, 290, 591. 56	28	45,704,963.69
Excise Tax	0	0	1	129,821,747.4	0	-	1	123,435,026.01
Sugar Tax			1	6,836,387.35			1	6,557,462.03
INMBT	6	3, 736, 575. 20	6	8,713,950.32	6	4, 242, 640. 27	7	4,804,857.48
GST	0	0	1	7,2941.5	0	-	1	0
PAYG- Residential Rent	2	624, 758. 32	1	14,585.74	3	429, 872. 77	2	14,585.00
Total	48	**107, 625, 174.21**	51	**218,962,178.32**	58	**149, 897, 838. 18**	93	**250,857,908.13**

The Revenue Administration Act 2009 makes provision for taxpayers to object to an assessment.

In 2024, a total of 93 objection cases were determined, amounting to SR 1250,857,908.13

In the event that taxpayers disagree with the objection outcome, they may then make an appeal to the Revenue Tribunal. This must be done within 30 days of receiving notification from SRC that an objection has been disallowed.

Status of appeal cases for the period 2022-2023

Tax type	Cases Lodged				Cases Determined			
	2023		2024		2023		2024	
	No.	Amount (SR)	No.	Amount (SR)	No.	Amount (SR)	No.	Amount (SR)
Business tax	3	19, 783,424. 38	5	52,918,383.28	-	-	1	25,564,314.00
TMT	-				-	-	1	1,493.56
CSRT	1	135, 641. 68	4	5,998,244.04	-	-	1	485,903.42
VAT	1	476, 619. 10	5	6,376,521.55	-	-		
Excise Tax			2		-	-		
SSF					-	-	1	0
Total	5		16		-	-	4	26,051,710.98

Exchange of information

Requests for Exchange of information

- **Total New Requests Received: 62**
- **Total Requests Dealt with: 59**
- **Balance Brought Forward: 24**

Number of EOI Cases closed as a measurement of the number of days taken

Details	2024	
	No. of cases	%
Total Requests	**38**	**100**
Case less than or 90 days	34	89
Cases more than 90 days and less than 180 days	4	11
Cases over 180 days an dless than 365 days	0	0
Cases more than 365 days	0	0

Outbound Exchange of information

- **Total outgoing requests 3:**
- **Responses received: 2**
- **Remaining Balance: 2**

The SRC is pleased to announce that this year, in recognition of its efforts to combat tax evasion and improve international tax cooperation, Seychelles has been removed from the European Union's list of non-cooperative jurisdictions for tax purposes.
The SRC remains committed to enhancing its international taxation practices. In regards to information exchange, the SRC will continue to utilize all available powers to obtain information and initiate prosecution and enforcement actions as necessary. Currently, all information exchange requests for SRC cases are processed within the 90-day deadline.
Through bilateral meetings with other countries, the SRC is actively working to significantly improve its ability to combat tax evasion. These efforts are ongoing and demonstrate the SRC's dedication to international tax cooperation.

	Banking	Accounting Information	Beneficial Ownership	Legal Ownership
Requested	21	24	27	22
Declined		0		
Not known in Seychelles		1	1	
Considered	21	24	15	22
Provided	9	13	15	14
No bank account in Seychelles	9	6	15	14
Information not provided		7	0	0
Success Rate (%)	**100**	**46**	**100**	**100**

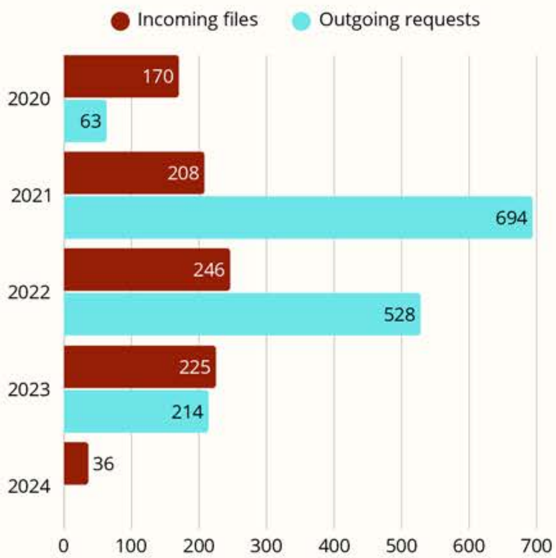
Automatic Exchange of information and Common Reporting Standards

The Common Reporting Standard (CRS), developed in response to the G20 request and approved by the OECD Council on 15th July 2014, calls on jurisdictions to obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis.

The international legal framework was put in place in October 2014 with the signing of the CRS Multilateral Competent Authority Agreement (CRS MCAA),which operationalizes the automatic exchange of information under the CRS on the basis of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters. Over 100 jurisdictions have signed the CRS MCAA.

The Republic of Seychelles, by virtue of the Multilateral Convention on Mutual Administrative Assistance in Tax matters to which Seychelles is a Party, entered into the CRS Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information. Seychelles thus introduced the Revenue Administration (Common Reporting Standard) Regulations, in 2015.

Incoming files and outgoing requests for CRS files



Receiving and sending partners

Year	No.of Receiving Partners	No. of Sending Partners
2018	64	44
2019	67	60
2020	75	45
2021	71	69
2022	82	71
2023	73	80

Automatic Exchange of information and Country by country reporting

CbCR Files received for the year 2023

Year	No. of Receiving Partners	Number of files received
2023	22	46
2024		50

Number of CbCR notifications received for the years 2020-2023

Year	No.
2020	14
2021	11
2022	16
2023	31
2024	48

Part 5: Customs

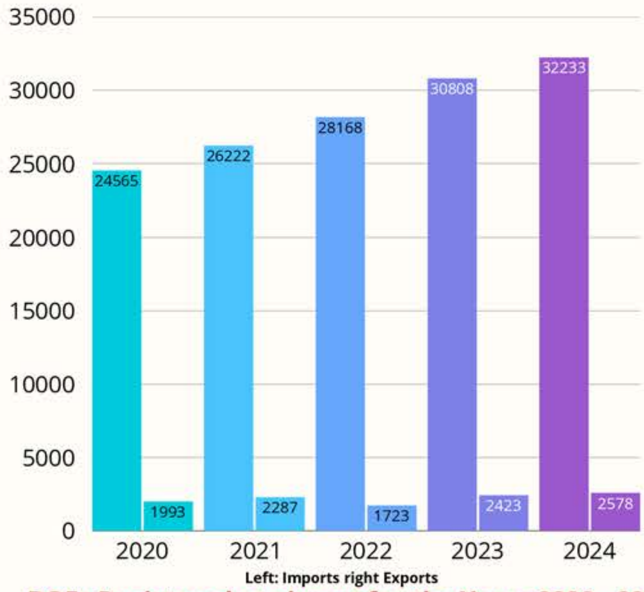
Registration of manifests

All vessels and aircrafts arriving from a destination outside of Seychelles must submit a Cargo Manifest to Customs, detailing all the goods being carried. The manifest may be used to ensure that passengers and cargo listed as having been placed on board the transport at the beginning of its passage continue to be on board when it arrives at its destination. Additionally, all cargo brought into the Seychelles must be covered by a summary declaration which is submitted electronically to Customs prior to its arrival in Seychelles. Cargo cannot be released without a cargo manifest having been registered with Customs except in circumstances prescribed in regulations.
here was an increase of 19% in manifests registered in the system in 2024 compared to 2024. The number of containers which were discharged in 2024 increased by 11% compared to 2023.

Details	2021	2022	2023	2024
Registered manifest as per arrival date	341	483	577	689
Bill of lading recorded	21,801	23,832	25, 724	26072
Containers discharged	31, 598	27, 252	26, 864	29753

Processing of Bills of Entry

BOEs Registered at Seaport for the Years 2020 - 2024

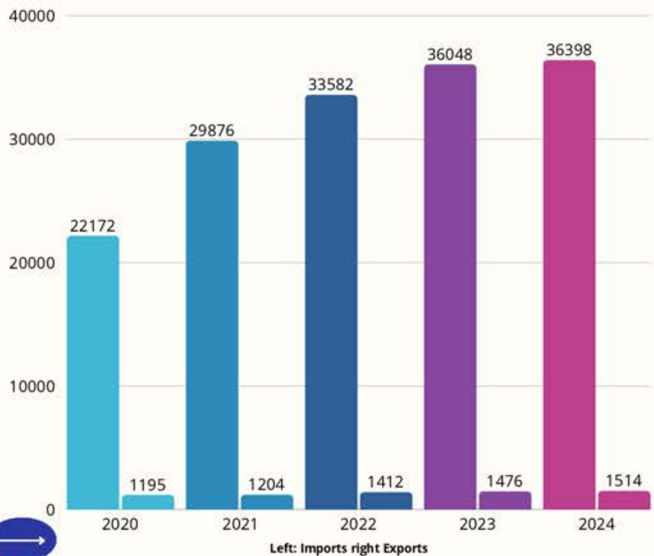


Seaport operations recorded an increase in the total number of bills lodged for the year
2024. The total registered in the system was 34, 811 an increase of 1, 580 from 2023. Out of the total BOEs registered, 32, 233 was recorded for imports and 2, 578 for exports.

During the year, 92.8% of the total Registered bills were assessed within the time frame.

For year 2024, 17,924 bills were selected for “Red” and “Yellow” Lanes. From the selected bills, 32.55% were sent for query and 67.45% were directly assessed.6,357 bills were selected for “Blue” Lane and 10,606 bills were selected for “Green” Lane

BOEs Registered at airport for the Years 2020 - 2024



Airport Cargo recorded an increase in the total number of bills lodged for the year 2024
The total registered in the system was 37, 912, an increase of 370 from 2023. Out of the total BOEs registered, 1,514 was recorded for exports and 36, 398 for imports.

Total BOE

Total imports at both Seaport and Airport : 68, 631
Total exports at both Seaport and Airport: 4, 092

Amendment & Query

Number of bills referred to query for the year 2024

Query & Amendment Monthly Record									
Months	Red Lane Bills Processed	Yellow Lane Bills Processed	Green Lane Bills Processed	Blue Lane Bills Processed	Total Bills	Number of Amendments	Revenue Collected from Amendment	Refund from Amendment	Variance
January	370	117	1	7	495	1838	647,139.34	489,685.01	157,454.33
February	349	120	2	5	476	1670	898,806.01	737,252.23	161,553.78
March	335	79	3	1	418	1737	622,545.33	392,105.27	230,440.06
April	454	130	2	4	590	2118	781,666.94	137,786.82	643,880.12
May	512	157	1	2	672	3270	1,399,537.15	225,674.88	1,173,862.27
June	462	118	10	2	592	2508	861,255.64	631,933.45	229,322.19
July	490	137	7	5	639	3086	1,271,339.40	647,579.01	623,760.39
August	391	120	4	0	515	2296	421,111.56	128,424.97	292,686.59
September	414	128	69	2	613	2530	1,061,741.06	535,751.09	525,989.97
October	553	161	13	6	733	3328	933,656.33	270,554.95	663,101.38
November	381	103	2	4	490	1666	751,360.66	305,344.11	446,016.55
December	487	154	5	4	650	3049	1,086,372.34	179,171.76	907,200.58
Yearly Total	**5198**	**1524**	**119**	**42**	**6883**	**29096**	**10,736,531.76**	**4,681,263.55**	**6,055,268.21**

Binding Tariff Information

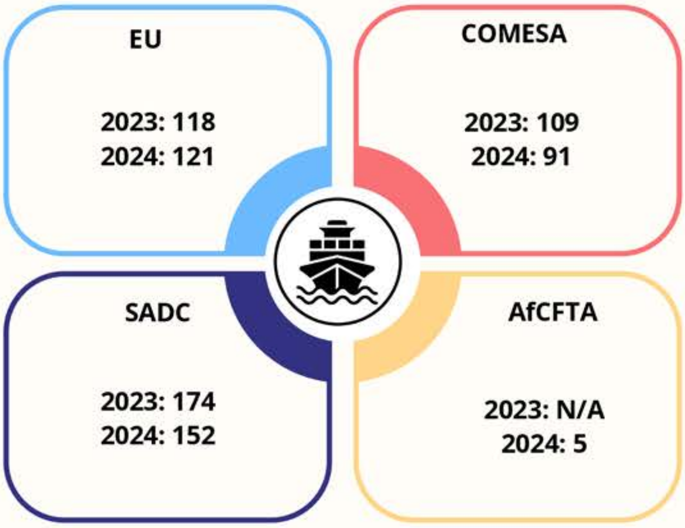
Number of BTI Applications received for the years 2022-2024

Month	No. of BTI Application received for 2023	No. of BTI Application received for 2024
January	9	17
February	12	34
March	16	12
April	9	02
May	8	18
June	4	15
July	11	12
August	9	21
September	5	26
October	9	17
November	25	12
December	13	16
Total	**130**	**202**

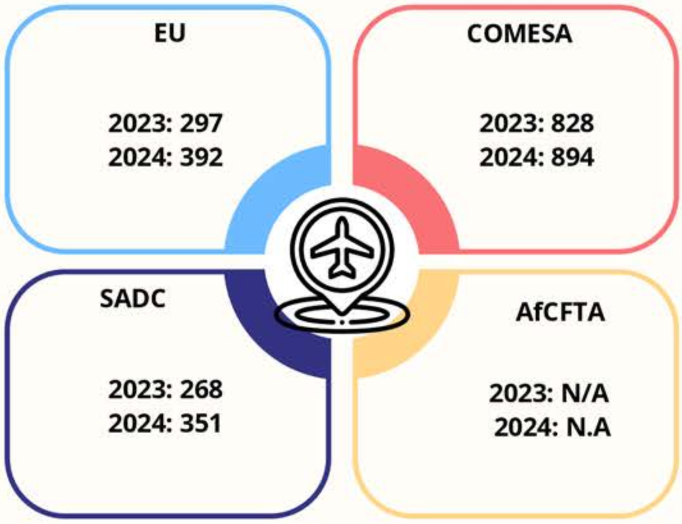
Preferential Imports

SRC recorded 2, 006 importations under preferential Imports from EU, SADC and COMESA for the year 2023. Most cases were from COMESA member countries, with a total of 985 preferential Imports. Out of the 2, 006, there were 1,637 cases from Airport and 369 from Seaport. The below figures for preferential importations for the past two years from both points of entry.

Preferential Importations Recorded at Seaport for the years 2023-2024



Preferential Importations Recorded at Airport Cargo for the years 2023-2024



EUR 1 Certificates Endorsed

SRC recorded 529 EUR1 Certificates endorsed for exports from January to December 2024, compared to 1206 in 2023. Seaport issued the highest number of certificates, amounting to 258. The second highest was at Passenger Terminal with 256, and 15 cases were recorded at Airport Cargo

	Passenger Terminal		Airport Cargo		Seaport		Total	
Month	2023	2024	2023	2024	2023	2024	2023	2024
January	53	17	3	0	77	20	133	37
February	62	22	5	2	58	10	125	34
March	61	16	3	3	119	12	183	31
April	76	17	2	1	87	21	165	39
May	55	25	4	1	163	23	222	49
June	55	19	1	3	110	21	166	43
July	27	17	1	3	3	30	31	50
August	19	21	0	2	25	9	44	32
September	16	13	3	1	19	20	38	34
October	18	30	0	0	16	52	34	82
November	14	29	1	0	15	14	30	43
December	15	30	1	1	19	26	35	57
Total	**471**	**256**	**21**	**15**	**711**	**258**	**1, 206**	**529**

Postal Operations enforces the same controls on goods imported through the Post Office, as those imported by air or sea. The main objective in examining parcels is to collect the Customs duties that are applicable to both commercial / private parcels and small packets, and to intercept prohibited or restricted articles imported through the post.

Postal Operations

Revenue collected from post office
SCR 183,716

- **Parcels/ small packets cleared at Post Office** 158, 227
- **Documentation charges-** SCR 44,825
- **Total rent chares Parcelpost** SCR 33,940
- **Customs Duties collected** SCR 1,808
- **VAT collected.** 102,227
- **Excise collected from parcel Unit - post office** SCR 916

Border security and Enforcement Actions

The Customs Management Act 2011 gives Customs control over goods and people entering or leaving Seychelles by sea or air. Through a risk-based approach, Customs has the mandate to detect prohibited and restricted goods, collect revenue on international trade and locally manufactured excisable goods and take enforcement measures on any breach of regulations.

Seaport and Airport Cargo Examination

Seaport Examination

The purpose of the Examination Unit is to ensure that goods have been properly declared.
Examination is the second step in the processing of importation of cargo. During the process, Customs ensures speedy clearance of imported goods, the correct amount of revenue is collected and at the same time, enforcing the control requirements.

Officers will be required to clear commercial goods being warehoused, cleared for home use, temporarily imported, and commercial goods being transshipped. Additionally non-commercial cargo particularly personal effects need to be verified to ensure the requirements of the Regulations are complied with.

Cargo examinations are performed as part of the various checks requested bylaw and policies in order to identify revenue avoidance /evasion, prevent clearance of prohibited imports and act as a deterrent to future fraudulent importations.

Total Containers verified at seaport

Containers verified from
Red channel; 7, 566
Yellow Channel: 407

Containers verified from
Blue Channel: 433
Green Channel; 306

Outside verification; 451
Total consignment verified: 8, 757

Total consignments released without verification:12, 626

Airport Verifications

Total Physical examinations: 1, 692 cargoes, 7, 853 courier
Couriers released: 114. 868
collected administrative fees: SCR 915, 686. 70

Details	2020	2021	2022	2023	2024
Vessels boarded in Port Victoria during office hours	434	663	617	752	590
Vessels boarded in Port Victoria after working hours	52	31	28	233	596
Total number of vessels boarded in Port Victoria	**486**	**694**	**645**	**985**	**490**
Rummages conducted	72	282	17	16	17
Transshipment containers verified	645	214	305	276	442
Cases of detained goods handed to customs by Port Security	2	1	5	2	2

SRC boarded a total of 490 vessels in Port Victoria in 2024, a decrease of 495 from 2023.

Government Warehouse

The Customs Division has the responsibility to manage the Government Warehouse. The goods must be held securely and not released without the payment of taxes or proper authority. Where goods have been confiscated, the goods may be sold through auction or by public tender. All goods are subject to checks and controls and must be accounted for.

Goods maybe held in the Government Warehouse as:
i. warehouse goods
ii. Transferred goods not entered after 30 days
iii. Transferred goods seized or confiscated

Government Warehouse management for the years 2020-2024

Details	2020	2021	2022	2023	2024
Containers transferred into the warehouse	80	40	43	50	46
Break bulk transferred into the warehouse	1, 100	714	2, 979	1, 179	1, 473
Total consignments transferred into the warehouse	**1, 180**	**758**	**3, 022**	**1, 229**	**1, 519**
Containers released from the warehouse	64	38	28	77	35
Break bulk released from the warehouse	306	348	367	418	525
Total consignments released from the warehouse	370	386	395	495	560

In 2024, SRC recorded a total of 1, 519 consignments, inclusive of containers and break bulk cargo which were transferred into the Government warehouse. 560 consignments were released from the warehouse.

Other government Warehouse activities for the year 2024

Details	2024
Rent charges collected	586,323.49
Fines collected	145,975.84
Total rent charges and fines collected	732,299.33
Total revenue collected by warehouse	**10,934,633.15**
No. of disposals conducted	32

Warehouse sales Collection

Auction sale: SCR 76, 350 Public Sale: 1, 740, 528
Total: 1, 816, 878

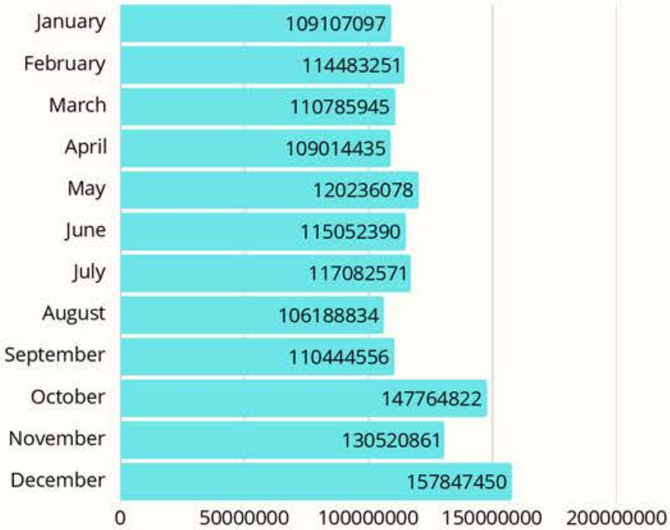
Post Clearance Audit

PCA completed 57 audit with 6 pending. A total of SCR 5,867,387.63 was collected

The Bond Unit

This unit maintains records of all goods entering private warehouses and transshipments, ensuring all requirements are met and duties and all other taxes are collected before delivery. Additionally, they oversee the operations of all duty-free shops, including receipt, tracking and the transfer of goods to and from the duty-free shops, ensuring they are adhering to customs duty-free laws and regulations, and also verify duty payments on dutiable sales.

Revenue collected (SCR) by the Bond unit



Collection of unpaid bills in ASYCUDA World for the years 2022- 2024.

2022 (SR)	2023 (SR)	2024
79, 934, 518. 02	40, 613, 992. 83	47,731,443.25

A total of SR 47, 731, 443. 25 was collected in 2023, representing an increase of 18% compared to 2023. The increase is due to closer monitoring through spot checks and review of documentations.

A total of SR 1, 448, 528, 288. 27 was collected by the Bond Unit for 2023. There has been a significant increase of SR 42, 376, 899. 27 collected in 2023 compared to 2022, representing an increase of 3%. The bond unit also imposed SR119,166.66 in penalties due to breach of bonded warehouse condition however the amount of 100,000.00 is yet to be paid as same is being contested and an amount of 50,000.00 still outstanding.

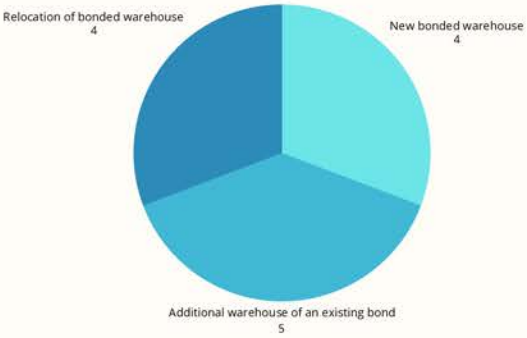
Active Bonded Warehouse for the years 2020-2024

Month	2020	2021	2022	2023	2024
Alcoholic Beverages	21	21	21	22	20
Alcoholic Beverages & Cigarettes	4	4	3	3	3
Cigarettes	1	1	1	1	1
Ship spares in transit	12	11	12	14	16
Marine Salt	1	1	0		
Motor vehicles	15	12	12	13	19
Duty free goods & cigarettes	2	2	2	3	3
Boat engines	2	2	2	2	2
Consumables on aircrafts	2	2	2	2	2
Ship chandler	1	4	4	4	4
Total	**64**	**60**	**59**	**64**	**70**

There were a total of 70 active Bonded Warehouses in 2024, compared to 64 in 2023. This includes two new bonded warehouses and two new extension, which were approved during the year.

Application for Bonded Warehouse

Applications for Bonded Warehouse for 2024



Spot checks and stock takes conducted
22 stock take
111 spot check

Number of reconciliations conducted
21

In the year 2024 the unit had plan to complete 21 reconciliations for the large warehouses which had not been reconcile for the past two years. Out of the 21 planned reconciliations the unit managed to complete 10, however there is an additional 7 reconciliation which a preliminary outcome There is a balance of 4 reconciliations which are still on going whereby no preliminary tax liabilities has been determined yet.

It is to be noted that the unit manage to finalise one reconciliation which had an outcome of 15.2 million in taxes to be paid and payment plan has also been agreed upon.

The targeted reconciliation was not fully completed in 2024 due disruption in operation cause from moving office as a result of damages incurred to our previous office by explosion at CCL, however more spot checks were conducted than anticipated.
The reconciliation for the ship spares and ship stores in transit could not be done due to the way certain goods are warehoused that is KG as such this has made it difficult to reconcile. Furthermore the agent are not ex-warehousing the goods correctly, that is apportioning the KG correctly with the number of items removed.More education is require to be made in that regard

The Concession Unit

The Concession Unit monitors and manages duty-free importations, including concessions granted for hotels, education, culture, tourism, sports, charities, churches, government, military, diplomatic missions and personnel, agriculture/ fisheries, industry, and all ad-hoc concessions. The Unit assists in conducting site visits of premises to verify the end-use of goods cleared as duty-free.

Spot checks on yachts and other goods

Number of Spot checks conducted on yachts and for other good

Year	Yachts	Others
2020	8	0
2021	10	6
2022	3	13
2023	26	10
2024	51	30

Compared to 2023, spot checks on yachts entered into a temporary regime have increased. This is mainly because more focus has been placed on yachts to ensure they are adhering to the conventions that have been laid down.

Revenue Collection

Revenue Collection for the years 2021-2024

Description	2021	2022	2023	2024
Collection on yachts	2, 222, 370. 32	539, 340. 09	5, 937, 187. 62	2,086,953.27
Collection on concessionary vehicles	988, 434. 66	2, 180, 878. 08	1, 209, 554. 58	553,890.55
Collection on other temporary items due to change of customs procedure to permanent importation	0	0		
Fine	100, 000. 00	216, 666. 71	208, 666. 00	100,000.00
Total	**3, 310, 804. 53**	**2, 936, 884. 88**	**7, 355, 408. 20**	**2,740,843.82**

Concession Unit made a total collection of SR 2,740,843.82 in 2024 compared to SR7,355,408.20 in 2023 indicating decrease of 62.74% the above collection is inclusive of fines this is mainly because of change in legislation whereby goods exempt from tax for specific purposes are depreciated in a shorter period

Request on approval of temporary importation

Number of temporary importation approved for the years 2020-2024

Desciption	2020	2021	2022	2023	2024
Temporary Importation vessel	67	99	56	44	60
Other temporary importation	260	168	316	238	203

Part 6: Stakeholder Engagement

The Seychelles Revenue Commission (SRC) places a high priority on fostering strong relationships and maintaining open communication with its diverse local stakeholders. In the past year, we actively engaged in over 50 distinct initiatives designed to connect with the private sector, various public entities, and government bodies. Our interactions within the public and governmental spheres are strategically crafted to cultivate transparency, build mutual commitment, and foster a climate of trust, recognizing the crucial role these partnerships play in effective revenue administration and national development.

Engagement with Tax Practitioners and Industry Associations:

Maintaining open and productive lines of communication with tax practitioners is a key priority for the SRC. To facilitate this, we held structured quarterly engagement sessions at the national level. These regular interactions provided a valuable platform for dialogue throughout the year, allowing us to address pertinent issues related to service delivery, clarify operational procedures, and identify opportunities for enhanced efficiencies. Our engagement extends to specific professional bodies, including regular quarterly meetings with the Tax Agent Committee and the Customs Agent/Tax Agent Committee. Furthermore, we maintain bi-annual dialogues with the Banking Association and hold similar bi-annual sessions with Tax and Customs Clearing Agents, ensuring that the perspectives and concerns of these key intermediaries are heard and addressed.

Lodgment Outreach:

As part of our unwavering commitment to enhancing service delivery and improving convenience for all taxpayers, the SRC proactively conducted extensive lodgment outreach initiatives throughout the past year. Recognizing that some taxpayers may encounter challenges in accessing our central services, we adopted a strategy of bringing our services directly to the community. This included extending our reach to Praslin, where we provided taxpayers with dedicated opportunities for one-on-one consultations with our knowledgeable representatives. To further enhance accessibility, particularly for the residents of La Digue, we implemented door-to-door visits. This personalized approach allowed us to provide tailored assistance and directly address individual queries related to tax return filing procedures and tax education, ensuring that all taxpayers, regardless of their geographical location, receive the necessary support to understand and meet their tax obligations.

Targeted Awareness Sessions:

To proactively enhance tax compliance and improve overall understanding of tax regulations, the SRC conducted a series of targeted awareness workshops specifically designed for newly registered taxpayers. These sessions provided essential foundational knowledge to help new entrants navigate the tax system effectively from the outset. In addition to this broad focus, our outreach efforts extended to key sectors of the economy, including the National Bureau of Statistics, security firms, cleaning agencies, and retailers and wholesalers operating in the inner islands. By tailoring our outreach to the specific needs and contexts of these diverse groups, we aim to improve compliance levels and foster a greater understanding of tax obligations within these vital segments of the Seychelles economy.

Youth Engagement:

Recognizing the critical importance of engaging with future generations and fostering a culture of tax awareness from a young age, the SRC implemented several impactful initiatives targeting young people. This included a creative and engaging poster and poem competition designed to raise awareness about fundamental tax concepts in an accessible and memorable way. We also conducted informative awareness sessions directly within educational institutions, such as Perseverance School, where we introduced children to basic tax procedures and the role of the SRC in national development. To provide older students with a more in-depth understanding of our operations and potential career pathways, we organized visits for secondary school students to the Customs and SRC Headquarters. These visits provided a valuable opportunity for direct interaction with our staff and engaging Q&A sessions. Looking towards long-term capacity building in tax education, the SRC initiated a series of discussions with the Seychelles Qualifications Authority (SQA) to explore avenues for integrating tax-related concepts into educational curricula. Furthermore, we conducted dedicated workshops specifically for teachers from both primary and secondary schools, equipping them with the necessary knowledge and resources to effectively explain basic tax principles to their students. Our active participation in the Ministry of Education Careers Fair further underscored our commitment to engaging with young people and highlighting the diverse and rewarding career opportunities available within the SRC.

VAT Workshops:

In a proactive and collaborative approach to policy development, the SRC undertook a series of consultative meetings focused on proposed changes to Value Added Tax (VAT) regulations. These sessions provided a valuable and essential platform for direct stakeholder input and feedback from businesses, tax professionals, and other interested parties. By actively engaging stakeholders in the policy formulation process, the SRC ensures that proposed changes are well-informed, practical, and take into account the potential impacts on various sectors of the economy, fostering a more inclusive and effective regulatory environment.

Work Hard And Pay Tax.

Mummy pays tax,
Daddy pays tax,
I don't pay tax,
I'm still a student studying hard.
I go to public school that uses tax money,
I travel by car on public roads that uses
tax money,
I go to public hospital that uses tax money.
The country needs to run public services.
So, it is important for all workers to pay tax.
Do it for our country,
Do it for our economy,
Do it for our future !

POEM BY SEVEN YEAR OLD PRIMARY SCHOOL STUDENT
Seychelles

The Seychelles Revenue Commission (SRC) recognizes the paramount importance of international collaboration and actively participates in a wide array of global forums and partnerships. These engagements are not merely symbolic; they represent a strategic imperative to enhance our operational efficiency, adopt global best practices, and contribute meaningfully to the evolving discourse on international tax and customs administration. The expertise and assistance derived from our relationships with key international stakeholders are instrumental in our ongoing journey towards modernization and the strengthening of our revenue collection and compliance mechanisms. Our primary collaborators in this crucial endeavor include the World Customs Organization (WCO), the International Monetary Fund (IMF), the African Tax Administration Forum (ATAF), the Commonwealth Association of Tax Administrators (CATA), and the United Nations Development Programme (UNDP), along with its dedicated Seychelles office, which provides invaluable support in specific areas such as digitalization and data governance.

World Customs Organization (WCO):

Our engagement with the World Customs Organization (WCO) is a cornerstone of our efforts to maintain a robust and efficient customs administration. The WCO serves as a global center of expertise, providing invaluable assistance in the form of guidelines, standards, and best practices that underpin modern customs operations. Over the years, the SRC has diligently worked towards the adoption and implementation of these international standards across various aspects of our customs procedures. A significant focus in 2024 was our intensive preparation for Seychelles' imminent accession to the Revised Kyoto Convention (RKC). The RKC represents a blueprint for modern and efficient customs procedures, emphasizing predictability, transparency, and the facilitation of legitimate trade. Our strategic alignment with the RKC underscores the SRC's unwavering commitment to streamlining our customs processes, reducing trade barriers, and fostering a secure and efficient trading environment for Seychelles. To further enhance the skills and knowledge of our customs officers, the WCO facilitated a series of specialized training programs in 2024. These included comprehensive training for our Customs Valuation Officer (CVO) Unit, focusing on critical areas such as the identification and prevention of valuation fraud. Additionally, workshops were conducted on the intricacies of the Harmonized Commodity Description and Coding System (HS), ensuring accurate classification of goods, and on the complex Rules of Origin, which determine the economic nationality of traded goods. Recognizing the evolving threats to global trade security, the WCO also facilitated a workshop on the UNODC Container Control Program, equipping our officers with the necessary skills to detect and prevent the illicit movement of goods within the supply chain.

International Monetary Fund (IMF):

The International Monetary Fund (IMF) stands as a vital partner, providing critical macroeconomic and fiscal expertise to the SRC. Their technical assistance and policy guidance are instrumental in shaping our revenue forecasting methodologies, refining our tax policy frameworks, and ensuring the implementation of sound financial management practices within the Commission. This collaboration extends beyond mere advice; it involves a deep engagement in strengthening the foundations of our revenue administration, ultimately contributing to the overall economic stability and sustainable growth of the Seychelles economy. A significant area of collaboration in 2024 involved a dedicated IMF mission focused on assisting the SRC in the formulation of a comprehensive implementation plan for our overarching digitalisation strategy. The primary aim of this mission was to identify and prioritize key projects within our digital transformation roadmap. This engagement was a direct follow-up to an initial assessment conducted by the IMF in July 2024, which provided a thorough evaluation of the SRC's digital transformation maturity, pinpointing existing gaps and areas requiring strategic intervention. The insights and recommendations from the IMF are proving invaluable as we navigate the complexities of modernizing our systems and processes through digital solutions.

AFRITAC South:

The IMF's Regional Technical Assistance Center for Southern Africa (AFRITAC South) plays a crucial role in providing targeted capacity development support to the SRC. In 2024, AFRITAC South undertook a dedicated mission to assist the SRC in significantly enhancing its audit and verification programs. Recognizing the critical importance of accurate financial reporting for effective revenue collection and compliance, the mission focused on equipping our audit teams with advanced practical skills in key areas of tax auditing and verification. The tailored training and guidance provided by AFRITAC South are designed to ensure that our audit and other verification programs are more effective in identifying discrepancies, promoting accurate reporting by taxpayers, and ultimately safeguarding government revenue.

OECD;

The Seychelles Revenue Commission (SRC) actively collaborates with the Organisation for Economic Co-operation and Development (OECD) through its membership in the Inclusive Framework on Base Erosion and Profit Shifting (BEPS) and the Global Forum on Transparency and Exchange of Information for Tax Purposes. These partnerships enable Seychelles to align with international tax standards, ensuring transparency and effective exchange of information to combat tax evasion. Additionally, SRC benefits from the Tax Inspectors Without Borders (TIWB) initiative, a joint effort by the OECD and the United Nations Development Programme (UNDP), which provides hands-on assistance in tax audits and criminal investigations. This collaboration strengthens Seychelles' tax administration by enhancing its capacity to conduct complex audits and investigations, ultimately fostering a more robust and fair tax system.

African Tax Administration Forum (ATAF);

The Seychelles Revenue Commission (SRC) has strengthened its collaboration with the African Tax Administration Forum (ATAF) through a country programme agreement signed in December 2024. This partnership plays a crucial role in the implementation of the SRC Transformation Programme, aiming to enhance efficiencies within Seychelles' tax system. As a member of ATAF since 2013, SRC benefits from technical assistance and training opportunities provided by ATAF, which focus on key areas such as digitalization, exchange of information, revenue forecasting, and international taxation. Additionally, the Commissioner General (CG) of SRC, who was a founding member of the ATAF Women in Tax Network (AWITN), continues to represent SRC as a member of the AWITN Board. This involvement underscores SRC's commitment to promoting gender inclusivity and leadership within tax administration, further strengthening its role in regional and international tax cooperation.

The SRC actively engages with the African Tax Administration Forum (ATAF) to foster strong collaborative relationships and facilitate the crucial exchange of knowledge and best practices within the African tax administration community. A significant milestone in our engagement with ATAF in 2024 was the SRC's distinct honor of hosting, for the very first time, a high-level roundtable discussion specifically addressing the critical issue of illicit financial flows within Seychelles. This important event served as a vital platform for in-depth discussions and the development of potential strategies to combat this complex challenge. Furthermore, a notable event in our ongoing collaboration with ATAF was the participation of the Commissioner of Tax in the African Tax Administration Forum (ATAF)'s prestigious Head of Administration Master Class, held in Lusaka from July 31st to August 1st, 2024. This high-level event centered on the timely and critical theme of "Digital Transformation for Effective Revenue Collection & People-Oriented Leadership." The comprehensive two-day program featured insightful panel discussions and illuminating case studies showcasing best practices in the realm of digital transformation across various African tax administrations. Demonstrating the SRC's active contribution to the forum, the Commissioner General, Mrs. Varsha Singh, also participated virtually in a significant session focusing on the functional benefits of seamless integration, specifically highlighting the shared utilization of digital tools to promote enhanced flexibility and operational agility. Commissioner General Singh shared the virtual stage with Ms. Regina Chinamasa, the esteemed Commissioner General of the Zimbabwe Revenue Authority (ZRA), further enriching the discussion with diverse perspectives and experiences. Recognizing the importance of investing in the professional development of our staff, ATAF generously provided sponsorship for SRC participants to undertake an advanced and specialized course on tax auditing in Mauritius during July 2024, significantly enhancing the audit capabilities within our organization. Importantly, ATAF also played a supportive role in the organizational transformation program that was strategically initiated and guided by the UNDP, further underscoring the collaborative spirit of our international partnerships.

World Bank;

The Seychelles Revenue Commission (SRC) benefits from collaboration with the World Bank Global Tax Team, receiving assistance in 2024 to strengthen its transfer pricing capacity. This support is part of broader efforts to enhance Seychelles' tax administration, ensuring compliance with international tax standards and improving its ability to address complex cross-border transactions. The World Bank's Global Tax Program focuses on strengthening tax institutions and mobilizing revenues fairly and efficiently, which aligns with SRC's objectives of fostering a more effective and sustainable tax system

United Nations Development Programme (UNDP) & UNDP Seychelles:

The UNDP, with its dedicated presence through UNDP Seychelles, is a pivotal partner in the SRC's ambitious modernization journey. A landmark collaboration in 2024 saw UNDP Seychelles working closely with the Ministry of Finance, National Planning, and Trade, and the SRC to launch the Sustainable Development Goals Taxation Framework (STF). This event held at the L'Escale Resort and Spa, marked the introduction of a comprehensive framework specifically designed to align Seychelles' tax systems with the overarching global Sustainable Development Goals (SDGs). The STF aims to ensure that our tax policies not only serve as a primary source of funding for national development and infrastructure projects but also actively drive inclusivity, environmental sustainability, and equitable economic growth. During the opening ceremony, Minister Hassan eloquently emphasized the critical importance of integrating sustainable practices into governmental fiscal policies through the STF. Following the official launch, UNDP facilitators engaged in in-depth discussions with the Minister and his senior leadership team, as well as the SRC's Commissioner General and Deputy Commissioner General, to further elaborate on the intricacies of the SDGs tax framework, its specific objectives, implementation processes, and anticipated outputs. Building upon this strong foundation of collaboration, the SRC had the distinct pleasure of welcoming Dr. Amna Khalifa and Hafize Choudhury, two esteemed experts from the UNDP, for a dedicated workshop. This workshop specifically focused on the Sustainable Development Goals Taxation Framework (STF) and provided an invaluable opportunity for the UNDP experts to gain a deeper understanding of the SRC's comprehensive digitalisation plan. This visit, involved a detailed presentation centered on the SRC's strategic approach to digitalisation. The presentation comprehensively covered the significant achievements and ongoing challenges encountered in the development of the Tax Management System (TMS), as well as the progress in the upgrade of the Customs ASYCUDA system.

commitment to embracing digital technologies to enhance its operations and taxpayer services. Furthermore, the UNDP, in a collaborative effort with the OECD, provided crucial support through the Tax Inspectors Without Borders (TIWB) Programme. As part of this initiative, the SRC welcomed Mr. Ashish Heliwal, a highly experienced Indian revenue service commissioner specializing in income tax, to provide targeted technical assistance to the SRC's tax audit team. Mr. Heliwal's expertise focused on the complex area of transfer pricing regulations and the development of effective strategies for their implementation in the upcoming year, 2025. Recognizing the need for a holistic approach to organizational improvement, the UNDP also played a key role in facilitating a comprehensive organizational analysis consultancy. This consultancy served as the catalyst for the SRC's ambitious Transformation Program, leading to the development of a detailed three-year roadmap strategically focusing on critical pillars such as digitalisation, human capital management, enhanced oversight and governance structures, and the optimization of core operational processes.

Commonwealth Association of Tax Administrators (CATA):

The Commonwealth Association of Tax Administrators (CATA) serves as an invaluable platform, enabling the SRC to actively engage with tax administrations from across the Commonwealth nations. Through our consistent participation in CATA's various forums, international conferences, and specialized technical programs, the SRC benefits immensely from a rich exchange of knowledge, practical experiences, and globally recognized best practices in virtually all facets of tax administration. This active engagement directly contributes to our ongoing efforts to continuously improve operational efficiency, enhance service delivery standards, and foster a more effective and taxpayer-centric revenue authority.
The SRC actively participates in CATA's yearly meetings, providing crucial opportunities for direct interaction and learning from our counterparts in other Commonwealth countries. Additionally, the SRC Commissioner General participates in the Commissioner's Connect Forum, which facilitates peer-to-peer engagement and collaboration. Furthermore, we regularly contribute to CATA's informative monthly newsletters, sharing our experiences and insights while staying abreast of developments in other tax jurisdictions.

United Nations Office on Drugs and Crime (UNODC):

Demonstrating our unwavering commitment to strengthening transparency and upholding the principles of good governance, the SRC actively participated in a significant national initiative spearheaded by the United Nations Office on Drugs and Crime (UNODC). In close collaboration with the Attorney General's Office and the Anti-Corruption Commission of Seychelles (ACCS), the UNODC organized a crucial two-day consultative workshop. The primary focus of this workshop was the critical task of drafting new and comprehensive legislation aimed at providing robust protection for whistleblowers. This collaborative effort brought together participants from a wide range of government agencies, including the SRC, which was expertly represented by Ms. Sylvia Poiret, the Director for our Investigation, Risk and Intelligence Section (IRIS). The workshop served as a vital platform for the sharing of practical insights and perspectives on the effective application of such crucial legislation within the specific context of the Seychellois professional environment.

A representative from the Transparency Initiative Seychelles (TIS) aptly highlighted the immense potential of this proposed law, recognizing it as a significant milestone in the ongoing pursuit of greater transparency and accountability within Seychelles, underscoring the collective commitment demonstrated by all stakeholders actively involved in the consultative process.

Compliance risk management training from UNDP

UNODC Container Control Program

TIWB Workshop


CUSTOMS DIVISION
Seychelles Revenue Commission
STRAND
HOTEL SWAKOPMUND

Part 8: Transformation

Charting a Course for Transformation in 2024.

The Seychelles Revenue Commission (SRC) embarked on a significant transformative journey in 2024, strategically designed to enhance its operational efficiency, elevate service delivery, and amplify its overall contribution to Seychelles' economic growth. This ambitious undertaking commenced with a comprehensive organizational analysis, which meticulously identified critical areas for improvement across the Commission.

The analysis gathered an impressive 78% staff participation rate significantly exceeding the typical institutional survey feedback norm of approximately 10%. The insights gleaned from this high level of engagement were instrumental in informing the development of a robust transformative project. Launched in August 2024, this project is specifically aimed at aligning the SRC's operational processes, organizational culture, and technological infrastructure with international best practices.

The transformation program prioritizes client management and service delivery, concurrently reviewing and re-engineering processes to achieve optimal efficiency. To further deepen our understanding of taxpayer needs and expectations, a comprehensive survey was conducted towards the end of 2024. The results of this crucial survey will directly inform targeted training programs for SRC staff in 2025, focusing on enhancing client management skills and elevating the overall taxpayer experience.

Ultimately, the SRC's transformation is not solely about internal efficiency and service delivery; it is intrinsically linked to contributing to sustainable national development. By modernizing the revenue administration, the SRC plays a crucial role in fostering a more stable and predictable economic environment, attracting essential investment, and generating the vital revenue needed to fund essential public services and national development initiatives. To further complement these efforts, 2024 saw the continued implementation of increased automation and new technological solutions as part of our ongoing digitalization drive, streamlining processes, improving efficiency, and enhancing the overall taxpayer experience. This progressive transformation is intricately woven into the broader Seychelles National Development Strategy (2024-2028).

Following the successful completion and analysis of the survey results, a series of comprehensive presentations were held with all SRC staff by the assigned Transformation Committee. The detailed transformation roadmap, charting interventions up to 2027, was subsequently presented to and approved by the Board.
This extensive transformation journey is meticulously guided by a concise roadmap extending to 2027. The program encompasses a myriad of strategic interventions targeting the Commission's policies and procedures, establishing robust oversight and governance frameworks, implementing intensive skills development initiatives, introducing advanced technologies, and fostering leadership development across all levels.

A core tenet of this transformation is to cultivate a more customer-centric approach. By placing greater emphasis on the needs and expectations of taxpayers and traders, the SRC aims to deliver improved services and build stronger relationships.

The SRC's ambitious transformation journey is spearheaded by a dedicated Transformation Committee, bringing together key expertise from across the Commission. Miss Nissa Joseph serves as the Chairperson, guiding the overall strategic direction. She is supported by Sheryl Barra as Deputy Chairperson and Head of Culture, ensuring that the organizational shift is deeply embedded in the SRC's values. Francesca Ng takes on the crucial role of Secretary and Head of Oversight and Governance, establishing robust frameworks for accountability.

The committee further comprises of Miss Christelle Betsy as Head of Training, focusing on crucial staff development; Miss oseline Lepathy as Head of Technology, driving digitalization initiatives; Mr. François Ally as Head of Customs Processes, streamlining border operations; and Sandra Roseline as Head of Tax Processes, optimizing revenue collection procedures. This diverse leadership ensures a holistic and integrated approach to the SRC's transformation.

A significant milestone in the transformation program occurred when the comprehensive plan was presented to the Cabinet of Ministers, including His Excellency the President. This high-level presentation underscored the national importance of the SRC's modernization efforts. We are pleased to report that the Cabinet extended its full support for the program, signifying a strong commitment from the highest levels of government to the SRC's strategic objectives and its role in national development.

Part 9: Information Technology

The Seychelles Revenue Commission continued its substantial undertaking in 2024 to modernize its tax administration through the phased deployment of a new Tax Management System (TMS). This project is geared towards boosting efficiency, enhancing taxpayer services, and increasing revenue collection by embracing state-of-the-art technology. While the complete rollout of all TMS features is still in progress, notable achievements marked 2024, establishing a firm groundwork for future advancements.

Online Tax Portal. A key achievement of the year was the development and initial testing of the Online Tax Portal. This intuitive platform promises a considerable enhancement in taxpayer convenience by offering several essential digital services, including.;

Digital Payment. Secure and user-friendly online payment methods for various taxes, enabled by CyberSource integration.

Electronic Return Filing. Streamlined online submission of tax returns, encompassing the annual Presumptive Tax Return, simplifying the filing process for individuals and businesses.

Virtual Registration Services. Allowing new taxpayers to register with the SRC remotely, diminishing the necessity for in-person visits and paper-based procedures.

While the Online Tax Portal was not fully deployed to the public in 2024, significant progress was made through various pilot programs and testing phases, including engagement with select taxpayers. These crucial exercises allowed for the identification and resolution of initial bugs and the implementation of necessary amendments. The anticipated launch of the portal aims to noticeably improve service delivery by granting taxpayers greater accessibility and ease in managing their tax responsibilities, marking a vital step in the SRC's dedication to an enriched taxpayer experience.

System Security

Acknowledging the importance of data protection and system integrity, the SRC prioritized a thorough Security Audit of the TMS, which was conducted by an external third-party. A meticulous code examination was performed, yielding encouraging initial findings with only a limited number of vulnerabilities identified. These issues have been promptly resolved. This strategy underscores the SRC's pledge to protect taxpayer information and assure the dependability of the novel system.

Establishing Foundational Pillars for a Robust System

The effective operation of any tax system hinges on high quality data, well-defined operational guidelines, and a dependable application. Throughout 2024, considerable effort was channeled towards these fundamental aspects:

- **Data Integrity Assurance**. Recognizing that precise data is fundamental to the success of the TMS, the SRC initiated comprehensive data cleansing efforts. Various data validation scripts were developed and implemented to refine demographic, sector-specific business, and tax obligation data. While this remains an ongoing process, significant headway was made in preparing the data for the new system. A data governance framework was developed in 2024 to guide SRC on how to manage, protect and use its data as a strategic asset. This was accompanied by Capacity building workshops from the expert.

- **Clear Operational Guidelines and User Specifications:** A detailed review and documentation of taxpayer accounting rules, late payment penalty calculations, and other critical operational parameters were undertaken. Existing user requirement specifications were also updated to reflect modifications and new features within the TMS. This ensures the system functions based on explicit and well-articulated parameters.

While substantial progress was realized in 2024, the deployment of the TMS is a continuing evolution. The SRC plans to:

- **Complete Core modules.** Pursuing the development of additional functionalities in the core modules and stabilize the same through continuous fixing of bugs.

- **Integrate with IFMIS**. Advancing towards the essential integration of the TMS with the Integrated Financial Management Information System (IFMIS) once deployed to facilitate seamless reconciliation processes.

- **Integrate with the Seychelles Pension Fund-** The API for integration with the Seychelles Pension Fund system has already been developed and is going through technical testing

- **Pilot a Case Management System.** Investigating innovative solutions through the pilot program of a case management system, with potential future integration with the TMS to allow closer tracking and monitoring of cases.

- **Sustain Testing and Enhancement.** Maintaining a stringent testing protocol to guarantee the stability and reliability of the TMS portal and all its features.

- **Set up and configure a data warehouse-** This will facilitate more informed and data driven decision making in the SRC including audit case selection based on Risk assessment. The risk modelling framework developed in 2024 will be automated in the data warehouse. The latter, will also integrate with both the SRC internal system and eventually the external system of other working partners/agencies.

- **Ease of Doing Business Portal-** SRC is part of the agencies which will be connected to the portal in phase 1of the project. The Ministry of Investment and Entrepreneurship is leading this project. The integration will be with both the TMS registration module.

The sustained commitment to data integrity, clear operational guidelines, and continuous enhancement will pave the way for a more streamlined, transparent, and taxpayer-focused revenue administration in the years ahead.

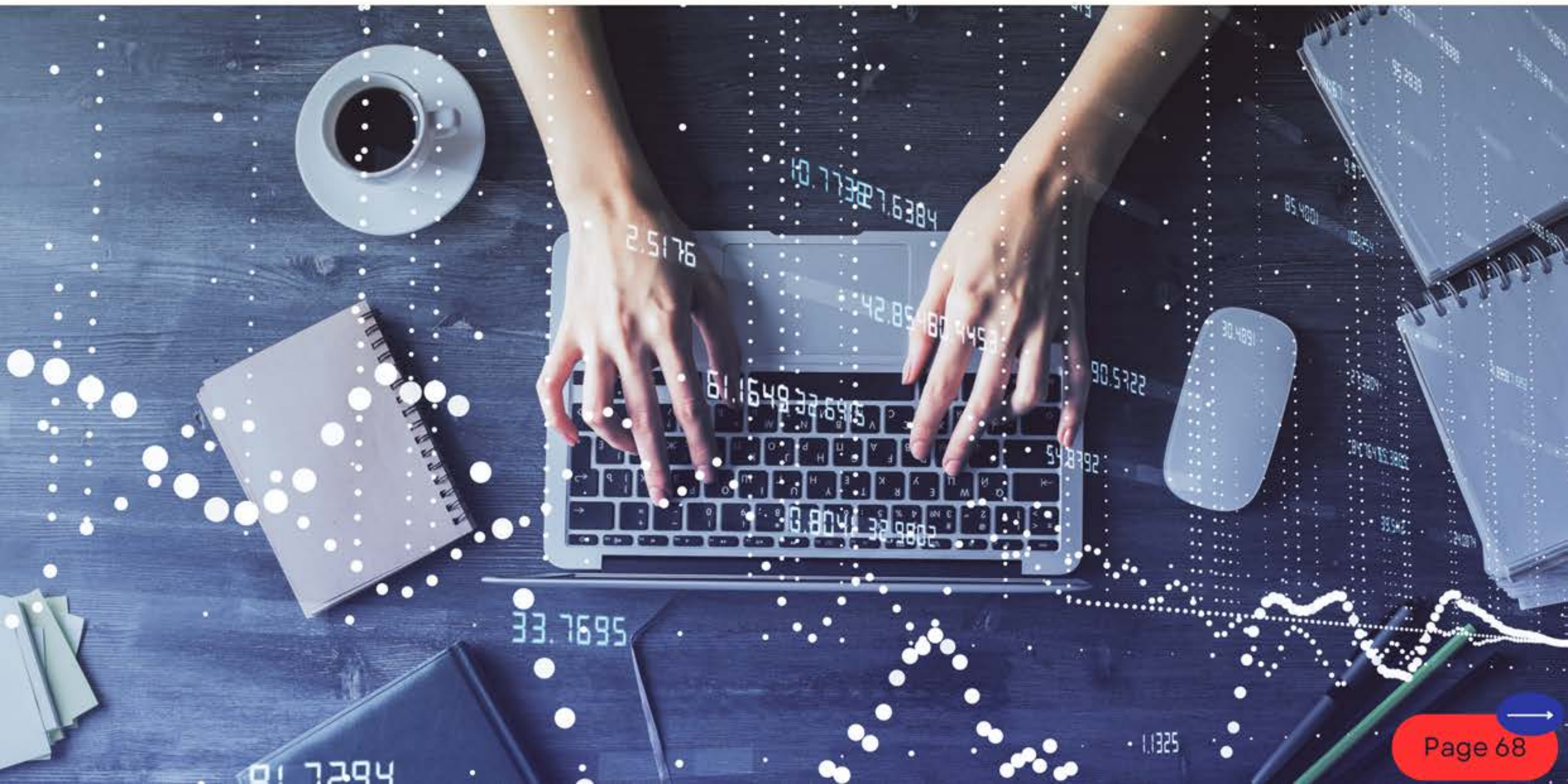
ASYCUDA

In 2024, the Seychelles Revenue Commission (SRC) continued to significantly advance the modernization of its Customs Division, building upon a reform process initiated with the SRC's establishment in 2010. At that time, new legislation merged the standalone Customs Division into the SRC, alongside the Tax Division, initiating a journey to automate core business processes. While a new Client Management System (CMS) was deployed for tax administration in 2010 and Customs adopted ASYCUDA++ around the same period, followed by a migration to ASYCUDA World in 2013, the full optimization of these systems has been an ongoing endeavor. Historically, the SRC remained heavily paper-based, with many processes initiated manually, limiting the detection of non-compliance and hampering overall efficiency, as ASYCUDA World was not yet fully configured to deliver comprehensive digital services.

In 2024, significant progress was made in enhancing the ASYCUDA World system, bringing the Customs Division closer to a fully digital operation. This continuous upgrade aims to accommodate crucial new modules, including Excise Warehouses, E-Payment, E-Government, Single Window, and Express Courier, alongside continuous technical training for staff. Several key modules were successfully deployed throughout 2023 and 2024:

- The E-Manifest module for courier services went live on March 18, 2023.
- The Express Courier module was completed and deployed on August 18, 2023.
- The Excise Tax module became operational on June 1, 2023, with its enhancement and full deployment concluding in 2024.
- Crucially for trade facilitation, the E-Payment module and the initial components of the Single Window system were completed by the second quarter of 2024, allowing for more streamlined financial transactions and data submission.

Beyond ASYCUDA enhancements, the SRC also successfully implemented the Registered Exporter System (REX) in July 2023. Introduced by the European Union, REX is a self-certification system that replaces the traditional EUR.1 certificate, significantly simplifying the export process for registered exporters. This eliminates the bureaucratic requirement to apply for a certificate of origin for each transaction, benefiting businesses and potentially attracting new investors.
Looking ahead, further planned ASYCUDA enhancements include the implementation of E-gate out and integration with PVMIS in 2025. The comprehensive enhancement of ASYCUDA version 4.4.0, including extensive process re-engineering, is currently in procurement. The broader Single Window initiative remains a medium to long-term strategic goal, with inter-agency meetings and mapping exercises scheduled for 2025 to pave the way for its full implementation, further boosting trade efficiency and data integration across border agencies.



Part 10: Financial Statement

Income Statement

Statement of Cash Receipts and payments for the year ended 31st December 2024

In thousands of SR	Budget (SR 000)	Treasury Actual (SR 000)	Variance (SR 000)	Previous Year Actual(SR 000)
Receipts				
Alocations/ Appropriations	196,480.61	179,786.23	16,694.38	156,794.45
Total Receipts	**196,480. 61**	**179,786.23**	**16,694.38**	**156,794.45**
Payments				
Wages and Salaries	117,605.27	111,536. 90	6,068.37	103,263.19
Goods and services				
Office exenses	13,665.14	12,406.31	1,258.83	12,882.41
Transportation and Travel	2,004.34	2,002.69	1.65	2,843.34
Maintenance and Repairs	3,599.34	3,579.44	19.90	3,879.37
Materials and supplies	105.00	100.86	4.14	1.34
Other use of goods and services	46,286.30	41,679.42	4,606.88	31,530.22
Total Recurrent Expenditure	**183,255.39**	**171,305.62**	**11,959.77**	**154, 399.87**
Non-Financial Assets				
Building and infrastructure	9,500.00	5,068.90	4,431.10	915.57
Machinery and Equipment	3,715.22	3,411. 71	303.51	1,479.01
Total Capital expenditure	**13,215.22**	**8,480.61**	**4,734. 61**	**2,394.58**

Part 11: Corporate Social Responsibility

The Seychelles Revenue Commission (SRC) actively demonstrated its multifaceted commitment to Corporate Social Responsibility (CSR) throughout 2024, engaging in numerous initiatives that positively impacted the environment and provided crucial support to both its employees and the wider community

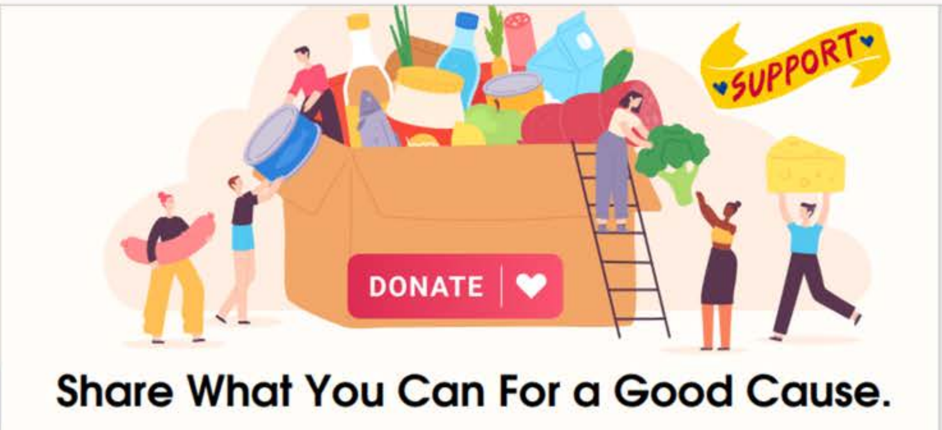
Corporate Social Responsibility

On World Environment Day, June 5th, the SRC actively supported the global theme of #GenerationRestoration. The Commission encouraged all its officers to contribute by maintaining clean workspaces and actively participating in efforts to promote sustainable development both internally and within the broader Seychellois community.

Further exemplifying its dedication to social welfare, the SRC launched a "Share What You Can For a Good Cause" food drive in support of the International Day of Charity on September 5th. Organized by the Charity and Taxpayer Education and Service Delivery Unit (TESD), this initiative encouraged staff members to donate non-perishable goods, which were then handed over to charity by November 29, 2024, extending much-needed support to vulnerable individuals.

The SRC also rallied behind environmental stewardship by joining the 'Clean Up The World' campaign. Over twenty SRC staff members enthusiastically participated in a clean-up exercise organized by the Landscape & Waste Management Agency (LWMA) in the North East Point area. This collective effort significantly contributed to enhancing the cleanliness and beauty of Seychelles.

SRC as a responsible Corporate Citizen



Beyond these initiatives, the SRC also extended direct support to its own. In a testament to internal solidarity, the SRC officially handed over donations collected to four employees who were directly affected by the December 7th explosion. responsible corporate citizen, actively contributing to environmental sustainability, community well-being, and the welfare of its own staff.

This compassionate initiative successfully raised not only monetary funds from staff but also a substantial selection of long-lasting shelf food items, including rice, pasta, canned tuna, and oatmeal, providing essential relief to those in need. The SRC extends its profound gratitude to all officers for their generous contributions and unwavering support to their team members.

Furthermore, demonstrating its ongoing commitment to supporting vulnerable segments of society, the SRC made numerous donations to various old people's homes across the country throughout the year, reinforcing its dedication to community welfare.

These diverse initiatives collectively underscore the SRC's role as a responsible corporate citizen, actively contributing to environmental sustainability, community well-being, and the welfare of its own staff.