THE GENERAL TAX CODE

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INTRODUCTORY PROVISIONS
GENERAL PROVISIONS

<u>Section 1</u>: (1) This Law shall institute the General Tax Code.

(2) Book I contains the various type of taxes (Sections 2 to 613).

(3) Book II contains the Manual of Tax Procedures (Sections M.1 to M. 146).

(4) Book three (Sections C 1 to C 151) codifies the provisions **of Law No. 2024/020 of 23 December 2024 on local taxation which repeals Law No. 2009/019 of 15 December 2009.**

(5) Section 614 deals with transitional and final provision.

(6) For the General Tax Code, instead of:

- Director of Taxes, read Director General of Taxes;
- Taxation Department, read Directorate General of Taxation;
- Main Taxation Centre, read Regional Taxation Centre;
- Main Taxation Head, read Regional Taxation Centre Head;
- Uniform Act on OHADA Accounting Law read OHADA uniform Act on Accounting and Financial Reporting (UAAFR).

BOOK ONE:
TAXES AND DUTIES

PART I
DIRECT TAXES

CHAPTER I:
COMPANY TAX:
DIVISION I:
GENERALITIES

Section 2.- A tax shall be levied on all profits or income made by companies and other corporate bodies.

This tax shall be known as company tax.

DIVISION II:
SCOPE OF APPLICATION

Section 3.- Subject to the provisions of Section 4 below and the special tax schemes, the following shall be liable to company tax:

(1) Joint stock companies and limited liability companies, co-operative societies, public establishments or bodies:

- irrespective of their object, public limited liability companies, joint stock companies, co-operative societies and their unions;
- public establishments, State bodies with financial autonomy and any other corporate bodies carrying out one or more gainful activities.

(2) Civil companies:

(a) even if they do not fall under the type of companies referred to in paragraph 1, civil companies carrying out commercial, industrial, non-industrial or agricultural activities, in particular:

- when they are involved in intermediary transactions for the purchase or sale of property or businesses, shares or holdings of real estate companies, or when they buy generally on their own behalf assets intended for resale;
- when they parcel and sell lands acquired in return for payment following development and provision of services;
- when they give out for rental a commercial or industrial establishment possessing the furniture and equipment necessary for its operation, whether the rental comprises or not all or part of the intangible elements of the goodwill;
- when they let or sublet entire or part of furnished buildings which they own or manage.

(b) civil companies whose members include one or more companies with share capital or which opted for this form of taxation;

(c) civil companies which have opted for company tax under the conditions fixed for partnerships.

(3) Partnerships which have opted for company tax:

- partnership firms;
- limited liability partnerships;
- joint-ventures;
- financial syndicates.

The option is irrevocable and may not be applied by unincorporated companies or by partnerships originating from the previous transformation of partnerships. For the option to be valid, it shall be signed by all the partners and notified to the tax inspector of the area within three months of the beginning of the financial year. Failing an option, the company tax shall be levied on the share of profits corresponding to the rights of:

- partners in limited liability partnerships;
- partners not indefinitely liable or whose names and addresses have not been communicated to the Administration in partnership firms, joint-ventures and financial syndicates.

(4) Public establishments and regional and local authorities:

Public establishments other than scientific, educational and aid bodies, as well as associations and regional and local authorities not subject to company tax by virtue of another provision, due to the rental of their built-on and non-built-on estates, revenue from floating capital not liable to tax on revenue from the transferable securities they possess as well as any other gainful activity. These provisions shall apply to the companies, associations and bodies referred to in Section 4. Such revenue and activities shall be subject to separate accounting in accordance with the rules and procedures governing commercial law.

(5) Microfinance institutions irrespective of their legal form and their nature.

Section 4.- The following shall be exempt from company tax:

(1) Co-operative societies engaged in the production, processing, conservation and sale of agricultural and livestock produce, together with associations of such co-operatives, functioning in pursuance of the relevant statutory provisions but excluding the following operations:

- selling in retail stores distinct from their main premises;
- processing goods or by-products other than those intended for human or animal consumption, or likely to be used as raw materials in agriculture, livestock or industry;
- business done by the above-mentioned cooperative societies or associations with non-members.

(2) Agricultural and pastoral unions, supply and purchase co-operatives operating pursuant to the provisions governing them.

(3) Agricultural mutual credit funds.

(4) Mutual-aid societies and associations.

(5) Deleted.

(6) Deleted.

(7) Deleted.

(8) Deleted.

(9) Deleted.

(10) Non-profit private education establishments. This exemption shall equally apply under the same conditions to industrial and commercial profits.

(11) Deleted.

(12) Open-end investment companies (SICAV), mutual investment funds and mutual credit funds for profits made as part of their legal activity.

(13) Economic interest groups, for the share of their profits distributed to their members that are natural persons.

(14) Deleted.

DIVISION III: TAXABLE PROFITS

Section 5.- Profits liable to the company tax shall be determined with sole regard to profits earned by businesses carried on or transactions effected in Cameroon, subject to the provisions of international conventions.

Section 5 (a).- (1) The following shall be deemed to be operating in Cameroon;

- Undertakings headquartered in Cameroon or with effective management office in Cameroon
- Undertakings that have a permanent establishment in Cameroon;
- Undertakings that have a dependent representative in Cameroon.
- non-resident enterprises that can provide evidence of a significant economic presence in Cameroon.

(2) The profits of the undertakings that do not fulfil the conditions referred to in (1) above shall be taxable in Cameroon where they carry out, directly or through third parties, activities that form a full business cycle, understood as a coherent set of economic operations carried out within the national territory, forming an autonomous process of purchase or production of goods or services followed by their resale, and likely to generate taxable profit.

(3) Operations carried out abroad by an enterprise whose registered office or effective management is located in Cameroon shall also constitute a complete commercial cycle where, by their purpose or method of execution, they cannot be dissociated from operations conducted within the national territory.

Section 5 (b).- (1) A non-resident enterprise shall be deemed to have a significant economic presence in Cameroon, comparable to a digital permanent establishment, if it has a substantial and dematerialised connection with the national territory, characterised by exceeding one of the following quantitative thresholds during a financial year:

a) the total amount of gross remuneration invoiced in return for the provision of digital services to customers or users based in Cameroon exceeds 50 000 000 (fifty million) CFA francs;

b) the number of users, customers or account holders based in Cameroon exceeds 1 000 (one thousand.

(2) The concept of digital services shall include, but not limited to:

a) the provision of on-demand digital content (streaming, downloading, online gaming and subscriptions);

b) online advertising and customer or user monetization services;

c) intermediation services for electronic marketplaces (commission fees);

d) cloud computing, data hosting and software as a service (SaaS) services;

e) any other service provided or facilitated through an electronic network or digital application.

(3) The assessment of the thresholds referred to in (1-a) of this Section shall take into account all payments made by or on behalf of Cameroonian residents, including those made through third party entities.

(4) The location of the customer or user in Cameroon shall be determined based on technical (IP addresses, geolocation and SIM country code) or commercial (billing address, Cameroonian bank information) indices that establish the effective use of the service within the territory.

Section 5 (c).- (1) Subject to applicable international tax treaties, international agreements, and the principle of reciprocity, air and maritime navigation enterprises, whether established in Cameroon or abroad, shall be subject to Corporate Income Tax (CIT) on their profits earned in Cameroon, in accordance with the principle of territoriality.

(2) The terms and conditions for implementing this section shall be laid down by law.

Section 6.- (1) The taxable profits shall be the net profits determined according to the results of all transactions of any kind effected by the undertaking during the period of assessment including, in particular, the transfer of any assets in the course of or on the completion of trading.

(2) The net profit shall consist of the difference between the value of the net assets at the closing and opening of the period whose results will serve as a basis for assessment, reduced by the additional assets brought in and increased by the drawings effected by members during this period. By net assets is meant the surplus of the value of assets over the total liabilities made up by third-party claims, depreciation and justified provisions.

(3) Stocks shall be valued at cost price; if the market price is lower than the cost price, the undertaking shall make provisions for depreciation of stock. Work in hand shall be valued at cost.

Section 7.- Net taxable profit shall be established after deduction of all charges directly entailed by the exercise of activities subject to assessment in Cameroon, in particular:

A- Overhead expenses

All types of overheads, expenses on staff, labour, offices, equipment and furniture, sundry and exceptional expenditure, insurance premiums, acts of liberality, gifts and subsidies.

However, the following expenses shall be treated **as follows**

(1) Sundry remunerations and provision of services:

a) The remuneration granted to salary and wage-earners shall be deductible from the results in so far as they are not excessive in comparison to the service rendered, correspond to effective work, and are in conformity with conventional norms.

This provision shall apply to all direct and indirect remuneration, including compensations, allowances, benefits in kind and reimbursement of expenses.

Nevertheless, a deduction to the tune of 15% shall be made on the basic salary excluding other social welfare contributions representing only employers' dues paid abroad for the compulsory constitution of the pension of an expatriate.

b) The attendance fees granted to the members of the board of directors shall be deductible only in so far as they represent remuneration for work done.

c) The fixed allowances which a company grants to its managerial or senior staff as entertainment and travelling expenses shall be excluded from such deductible expenses in the assessment of tax, when they include the usual type of expenses reimbursed to the persons concerned.

The sums paid to the managerial or senior staff of a company as employment or service expenses allowance which do not correspond to a real expense on the duty performed shall be reinstated in the operating results. For the implementation of this provision, managers shall mean active partners and members of partnerships and joint-ventures.

All expenses relating to hunting, angling, the use of pleasure boats, tourist planes and pleasure homes shall equally be excluded from the deductible expenses whether they be in the form of fixed allowances or reimbursement expenses.

d) Subject to international agreements, the following shall be regarded as expenses on condition that they are not exaggerated:

- Head office overheads for operations carried put in Cameroon and the remuneration of certain effective services (studies; technical, financial or accounting assistance) provided to Cameroonian firms by foreign or Cameroonian natural persons or corporate bodies.

On no account shall there be accepted on this basis any sum exceeding 2.5% of the taxable profit before deducting the expenses concerned.

In the event of a deficit, this provision applies to the results of the last financial year for which the statute of limitations has not expired. However, for companies in a continuous deficit situation and new companies in a deficit situation, the limitation applies to turnover at the rate of 1%. If there is no turnover, the basis for calculating the cap is the total amount of annual expenses incurred by the company.

The ceiling stipulated above shall be fixed at 1% of the turnover for the firms specialized in public works and 5% of the turnover for design firms operating in accordance with the regulations relating to design firms and consulting engineers.

- However, remuneration paid outside the Central African Economic and Monetary Community (CEMAC) for accounting and tax services shall be excluded from the deduction.
- Commission or brokerage on goods purchased by enterprises situated in Cameroon, shall be to the benefit of these enterprises within the limit of 1% of the purchase price. This commission should be billed and the receipt attached to that of the suppliers.
- The amounts paid for the use of valid patents, brands, designs and models within the overall limit of 2.5% taxable profit before the deduction of expenses claimed. This ceiling shall not apply to the amounts paid to firms not participating directly or indirectly in the management or capital of a Cameroonian firm.

Nevertheless, when these amounts are profitable to a firm located outside the Central Africa Economic and Monetary Community (CEMAC) and participating in the management of a Cameroonian firm in which it hold shares, they shall be considered as sums accrued from the distribution of profits.

When their partners on the payroll of the firm are on leave, companies shall be authorized to deduct from their profits, on condition that the journey was made, the transport expenses to and fro of the said partners, their spouses or spouse and dependent children.

Under no circumstances shall such expenses give rise to a depreciation allowance account.

(2) Rental Expenditure

The amount for rentals granted to a company shall be regarded as part of the expenses on condition that it is not exaggerated in comparison with the rentals usually paid for similar property or facilities.

However, where a partner, whether a natural person or legal entity, has at least **25%** of the holdings or shares of a company, the proceeds from the rentals other than those from the property granted to such company shall not be considered as deductible expenses **provided that the said rentals are effective and within the limit of 2.5% of the taxable profit before deduction of the expenses in question.**

For the implementation of this provision, the holdings or shares held as property or as usufruct by the spouse, relatives in the ascending or descending line of the partner, shall be deemed to belong to the partner.

(3) Taxes, charges and fines

Only the professional taxes issued for collection during the financial year and which are to be borne by the firm in relation to the operations carried out in Cameroon shall be subject to deduction.

Company tax and personal income tax shall not be considered as deductible expenses for the levying of taxes.

Rebates granted on the deductible taxes shall fall under the revenue of the financial year during which the company shall be notified of the authorization of payment thereof.

Compounding fees, fines, confiscations, any penalty concerning persons who violate the legal, economic and fiscal provisions shall not be deducted from the profits subject to taxation.

(4) Insurance Premiums

The following shall be deducted from the taxable profits and specifically relating to the share of operations carried out in Cameroon:

- insurance premiums contracted for the company where the very risk covered leads directly to a net reduction of assets;
- insurance premiums which, themselves, represent operating costs;
- sickness insurance premiums paid to local insurance companies for members of staff and their spouses and dependent children, where the reimbursement of expenses to the very persons fails to appear under deductible charges;

But, the sums raised by the company with a view to taking out its own insurance policy shall not be deductible from taxable profits.

- Premiums paid by firms to local insurance companies undercontracts relating to career wind-down allowances.

(5) Acts of liberality, gifts and subsidies

Acts of liberality, gifts and subsidies shall not represent the charges deductible from profits.

However, payments made to research and development bodies and to collective philanthropic, educational, sports, scientific, social and family institutions and bodies, on condition that the latter are situated in Cameroon, shall be deductible as soon as there is proof of payment and as long as they do not exceed 0.5% of the turnover for the financial year.

Donations, grants and subsidies awarded to clubs participating in elite national competitions, or to recognized organizations responsible for the organization of official sports competitions are deductible when they are justified and within the limit of 5% of the annual turnover.

However, shall be totally deductible when justified, the sums granted to:

- the State or Decentralized Territorial Collectivities for the fight against HIV/AIDS;
- authorize research and development bodies located in Cameroon and exercising in the health, agriculture and animal husbandry domains.

Similarly, gifts made on the occasion of a disaster, shall be deducted in the form and conditions determined by order of the Minister of Finance.

B - Financial Costs

Interest on sums of money left or placed at the disposal of the company by partners in addition to their capital shares, irrespective of the form of the company, within the limit of those calculated at the rate of Central Bank advances increased by two percentage points and subject to the following conditions:

- Existence of a written and duly registered loan agreement;
- Subscribed share capital fully paid up.

However, such deduction shall possible with respect to partners who directly or indirectly own at least 25% of the share capital or corporate voting rights only if:

- The sums of money made available by all the partners do not exceed one and a half times the amount of equity. Otherwise, interest on the excess amount shall not be deductible;
- There interest paid to the said partners does not exceed 25% of profit before corporate tax and before deduction of the said interest and amortizations taken into account in determining such profit. Otherwise, the excess amount of interest shall not be deductible.

C - Actual losses

The following shall be deductible from profits:

- losses on items of fixed or realizable assets, except losses resulting from misappropriation by a partner or a manager of the enterprise, or where misappropriation is as a result of negligence on the part of managers;
- losses due to the transfer of the liabilities of the dissolved company to the acquiring company, in the event of a change of activities following restructuring;
- losses due to bad debts for which all ways and means of amicable or forced recovery provided for by the OHADA Uniform Act Organizing Simplified Recovery Procedures and Enforcement Measures have been exhausted.

  However, losses due to bad debts of an amount less than CFAF 500 000 which has been provisioned over a minimum period of five (5) years shall be deducted automatically, without having to justify the exhaustion of the amicable or forced recovery procedures provided for by the regulations in force. This amount is increased to:

  • 3 000 000 CFA francs for credit establishments;

  • **1 000 000 CFA francs for microfinance establishments.**

  provided that they are not the result of negligence or manifest imprudence on the part of the taxpayer, as established by the competent authorities or bodies, losses relating to damage, duly established and validated in the presence of a tax official having at least the rank of controller, under the conditions defined in the Manual of Tax Procedures.

  However, for damages and breakages incurred by companies in the brewing sector, the related losses shall be deducted at a flat rate of 1% of the total production volume.

D Depreciation

Depreciation actually computed in consideration of the probable period of usage according to the norms of each operation, including those which might have already been deferred in times of deficit without using rates which may not exceed those fixed below.

However, for assets subject to a leasing contract, the tax depreciation period shall be aligned with the duration of the financing contract.

Depreciation rates specific to certain sectors of activity may be fixed by a separate joint instrument of the ministers in charge of finance and the sector concerned.

Depreciation deferred regularly during a deficit period must be charged from the first surplus financial year. In any case their deduction may not be allowed beyond a period of ten years.

Small equipment and tolls.

The threshold for small equipment and tools which should be recorded under assets shall be fixed at five hundred thousand (500, 000) CFAF.

Constructions	
Commercial, industrial buildings, garages, workshops, warehouses :	5 %
Transformer stations :	5 %
Waterfall installations, dams :	5 %
Factories :	5 %
Residential buildings :	5 %
Lime and plaster kilns :	10 %
Electric furnaces :	10 %
Temporary or removable buildings :	20 %
Fixed equipment and tools	
Steam boilers :	10 %
Cement tanks :	5 %
Power transmission lines :	
- permanent materials :	15 %
- temporary materials :	20 %
Paper and cotton machines :	10 %
Petroleum refining equipment (reforming, visbreaking) :	
- distillation equipment :	10 %
- Hydraulic presses :	10 %
Compressor presses :	10 %
Heavy oil engines :	10 %
Petroleum tanks :	10 %
Heavy high-power transformers :	10 %
Turbines and steam machines :	10 %

Mobile Equipment	
Mechanical kneaders, mixers :	15 %
Excavators :	15 %
Brewery/distillation tanks (casks) :	10 %
Wood cutting machines :	20 %
Purification and extraction equipment :	10 %
Rolling and wringing equipment :	10 %
Light machine tools (lathes, mortisers, planers, drills :	20 %
Factory equipment including machine tools :	20 %
Pneumatic hammers :	20 %
Drilling machines :	20 %
Hand tools (small tools) :	100 %
Transport equipment	
Carts :	25 %
Naval and aircraft equipment :	20 %
Transport barrels (beer, wine) :	20 %
Fûts de transport métallique :	20 %
Containers :	25 %
Motor vehicles	
Light vehicles (urban use) :	25 %
Rental or driving school vehicles :	33,33 %
Heavy vehicles or off-road use :	33,33 %
Tractors :	20 %
Forestry tractors :	33,33 %

Port handling equipment	
Forklifts :	20 %
Heavy cranes :	10 %
Mobile cranes :	10 %
Railway tracks	
Wooden sleepers :	6,67 %
Rails :	5 %
Bi-block sleepers :	5 %
Steel components :	5 %
Ballast :	10 %
Platform :	5 %
Concession railway tracks :	1 %
Freight wagons :	5 %
Engineering structures	
Culverts, embankments, earthworks :	6,67 %
Bridges, tunnels, viaducts :	5 %
Level crossings :	5 %
Concession engineering structures :	2 %
Locomotives	
Locomotives | New acquisitions or < 10 years :	5 %
Rehabilitation :	
Diesel engines :	5 %
Traction motors :	5 %
Traction motors:	5 %
General overhaul CC locomotives :	8,33 %
General overhaul BB locomotives :	12,50 %
Limited overhaul CC locomotives :	16,67 %
Limited overhaul BB locomotives :	25 %
Used railcars :	10 %
Track machinery :	5 %

Other railway equipment	
Radios and modems :	15 %
Antennas, beams, level-crossing signaling :	20 %
Telecommunications and signaling equipment under concession	5 %
Passenger cars :	5 %
Freight wagons	5 %
Furniture, fittings and installations	
Layouts, fittings, installations :	10 %
Office furniture or other :	10 %
IT equipment :	25 %
Reprographic equipment :	33,33 %
Special depreciation	
Fishing gear :	15 %
Fishing vessels :	15 %
Hotels, cafés, restaurants	
Glassware, tableware, kitchen utensils :	50 %
Linen :	33,33 %
Silverware :	20 %
Decorative fittings :	20 %
Carpets :	25 %
Curtains, drapes :	25 %
Kitchen stoves :	20 %

Plastics (molding)	
Molds :	33,33 %
Preheaters or ovens :	20 %
Pelletizers :	20 %
Injection presses :	20 %
Vacuum forming / metallizing machines :	20 %
Welding and cutting machines :	20 %
Compression presses :	10 %
Gelation and extrusion machines :	20 %
Transfer presses :	10 %
Equipment exposed to chemical products	
Washing equipment, diffusers :	20 %
Product recovery equipment	20 %
Bleaching equipment :	20 %
Cooking equipment :	20 %

E - Provisions

Provisions constituted to cover clearly specified losses or expenses rendered probable by the course of events, provided that they have been duly recorded in the annual accounts for the financial year.

Besides the general conditions for deducting the provisions provided for above, the provisions for doubtful debts must:

- consist of receivables recorded on the assets side of the balance sheet and not covered by real guarantees;
- have given rise, against the debtor, to the implementation of the amicable or forced recovery procedures and means provided for by the OHADA Uniform Act on the organization of simplified recovery and enforcement procedures.

For the specific case of credit **and microfinance establishments,** with the exception of provisions for bad debts whose allocation is optional, the deduction of provisions for bad debts and doubtful commitments shall be spread over:

- over a two years period, for bad debts and doubtful commitments whose risks are not covered either by collateral securities or State guarantee. In this case, deduction may not exceed 50% of bad debts and commitments per annum;
- over a three years period, for bad debts and doubtful commitments whose risks are not covered by collateral securities. In this case, deductions may not exceed:
  - 25 % for the first year,
  - 50 % for the second year,
  - 25 % for the third year.

The situation of these provisions must be definitely determined at the end of the third year of their constitution, with the exception of those which concern bad debts and doubtful commitments brought before law courts.

In no event shall any provision be constituted for charges accountable, by their nature, in the year in which they are incurred.

Provisions for doubtful debts and commitments of credit and microfinance institutions shall not be deductible where the said provisions relate to cumulative annual credits of at least CFAF 50 million granted to the same company on the basis of financial statements not certified by an auditor, in accordance with the provisions of Section M.6b of this Code.

F - Claims and debts expressed in foreign currency

Losses incurred during exchange transactions may not require the accumulation of deductible provisions.

However, currency conversion margins, claims and debts expressed in foreign currencies, as opposed to the amounts initially entered into the accounts, shall be assessed at the end of each financial year, taking into account exchange rates which are used to determine the taxable turnover for the financial year.

Currency conversion margins concerning less than one year old debts expressed in foreign currencies shall be deductible in determining the taxable turnover for the same financial year.

But currency conversion margins concerning long-term debts expressed in foreign currencies shall be deductible at the rate of actual reimbursements. The same shall be true for short and medium term claims.

Section 7a: By way of derogation from Sections 6 and 7 of this Code, the taxable profit of non-resident enterprises with a significant economic presence arising from digital activities carried out in Cameroon shall be determined on a lump-sum basis at 10% (ten per cent) of the gross income generated within the Cameroonian territory.

Section 8.- ***Repealed***

Section 8 a.- (1) The expenses referred to in Section 7 above equal to or greater than one hundred thousand (100,000) CFA francs per transaction shall not be deductible when paid in cash.

(2) The following taxes shall also be non-deductible:

- Expenses supported by invoices not bearing the mandatory indications provided for in Article 150(3) of this

Code, to the exclusion of invoices submitted by foreign suppliers;

- Expenses justified by invoices issued outside the tax authorities' electronic invoicing monitoring system;
- Expenses relating to remunerations of all kinds paid to liberal professionals exercising in violation of the regulations governing their respective profession.
- Expenses relating to remuneration of any kind paid to taxpayers who, on the date of the transaction, are not on the tax authorities' list of active taxpayers.

Section 8 (b) (new).- (1) The cost and remunerations of all types including disbursements, posted in the accounts records by a natural persons or legal entity resident or established in Cameroon and linked to transactions with natural persons or legal entities resident or established in a territory or state considered to be a tax haven, shall not be deductible in determining the company tax or income tax of individuals in Cameroon.

(2) However, property and merchandise required for production purchased in their country of production and which have been cleared at the customs, as well as remuneration for services rendered in relation thereto shall be deductible.

(3) Any state or territory wherein the tax on income of a natural person or legal entity is less than a third of that paid in Cameroon, or any state or territory considered not to be cooperative in matters of transparency or exchange of information required for fiscal purposes by the international bodies responsible for promoting transparency and exchange of information for tax purposes.

Section 9.- Capital gains, other than those realized on merchandise, resulting from the gratuitous allocation of shares, founders' shares, partnership shares or debentures on the merger of companies and limited liability companies, even where they operate as sole proprietorships, shall be exempt from tax levied on company profits provided that the company taking over or the new company has its registered office in Cameroon or another CEMAC State.

The same rule shall apply where a company or a limited liability company transfers the whole of its assets to two or more companies formed for the purpose (split) or assigns part of its assets to another company constituted in any of the said forms (partial contribution of assets) on condition that:

- the assignee companies have their registered office in Cameroon or in another CEMAC country;
- the contributions resulting from these conventions shall take effect on the same date for the various assignee companies and shall thus entail the immediate dissolution of the assignor company in the event of merger or split.

However, the application of the provisions of this Section shall be subject to the obligation established in the instrument of merger or contribution, to calculate in respect of assets other than merchandise included in the contribution, the annual depreciation to be set against profits and the subsequent capital gains resulting from the realization of such assets on the basis of their cost to the merging or contributing companies, less any depreciation already shown by them.

This obligation shall bind the new company or the company taking over in the case mentioned in paragraph 1, and either respectively the assignee companies proportional to the value of the assets assigned or the company benefiting by the contribution, in the case mentioned in paragraph 2.

Section 10.- Notwithstanding the provisions of Section 6 (1) of this Code and in the case of total or partial sale, transfer or termination of the activity, the net capital gains, i.e. those obtained after the deduction, if any, of realized losses, sustained in the transfer of fixed assets, and allowances in exchange or as compensation for the cessation of the practice of the profession (activity) or transfer of the clientele, are taxed as follows:

- For half of their value when the cessation, transfer or termination takes place less than five years after the creation, purchase of the business or clientele;
- For a third of their value otherwise.

Section 11.- In the case of cooperative societies, bonuses realized from transactions with members and shared among them proportionately to their order shall be deductible from profits.

Section 12.- (1) Any loss sustained in a given year shall be considered a charge on the following year and deductible from profits made in that year. Should this profit be inadequate for the deduction to be made in its entirety, the loss still outstanding shall be carried forward to subsequent years up to the fourth year after initial loss.

(2) For credit institutions and State portfolio companies undergoing restructuring, the deficit surplus may be carried forward until the end of the sixth year following the deficit year.

Section 13.- Where a joint stock company or a limited liability company owns either registered stock in a joint-stock company or shares in a limited liability company, the net proceeds of the shares in the second company paid to the first during the financial year shall be deducted from the total net profit of the latter, less a percentage for costs and charges.

This percentage shall be fixed at 10% of the total amount of the said proceeds.

However, this provision shall apply only:

- When the stocks or shares owned by the parent establishment represents at least 25% of the capital of the subsidiary firm.
- When the parent and subsidiary firms have their registered office in a CEMAC State.
- When the stocks or shares allotted at the time of issue are still registered in the name of the participating company which undertakes to retain them for two consecutive years at least in registered form.

Any breach of this undertaking shall result in the assessment of the improperly exempted income, without prejudice to the penalties enforceable for inadequate returns.

Concerning banking and credit establishments, firms engaged in the investment or management of transferable securities, all arrears, and interest of other proceeds exempt from the tax on income from securities shall be excluded from the deduction above.

DIVISION IV:
PLACE OF ASSESSMENT

Section 14.- The company tax shall be established under a single assessment in the name of the corporate body or association for all taxable transactions in Cameroon, either at its registered office or, failing that, at the place of its principal establishment.

However, for undertakings under a specialized management unit, filing of tax returns and payments shall be done therein.

In the case of corporate bodies situated outside Cameroon and having a direct or interdependent relationship with other corporate bodies or undertakings established in Cameroon, the place of assessment shall be the same as that of the corporate bodies or undertakings with which they have these relations. The latter shall be jointly and severally responsible for the payment of the tax payable by corporate bodies established outside Cameroon.

In the cases referred to in Section 3 (3) of this Code, the tax shall be established in the name of the company or of the manager known to third parties and at the base of the common headquarters or of the principal establishment.

DIVISION V:
PERIOD OF ASSESSMENT

Section 15.- The company tax shall be assessed on the profits realized during the twelve-month period correspond- ding to the financial

However, companies that start their business within the six (06) months preceding the prescribed closing date may draw up their first balance sheet at the end of the financial year following the twelve-month period in which they started activities.

Section 16.- Where successive balance sheets are drawn up during the same fiscal year, the results shall be added together for the assessment of the tax due for the following financial year.

DIVISION VI:
CALCULATION OF TAX:

Section 17.- (1) The rate of the tax applicable shall be 30%.

(2) However, for companies under the dispensational tax regime, a special incentive tax regime or any other tax advantage, the rate applicable shall remain that in force as of 1 January 2014.

(3) In calculating the tax, any fraction of the taxable profit less than CFAF 1,000 shall be disregarded.

(4) Where a company has received income from movable or capital gains on disposal of property subject to a 5% flat-rate tax as provided for in Section 90 of the GTC, the tax thus calculated shall be reduced by setting off the tax already paid on such income. This system shall not apply to companies referred to in section 13 above.

Section 17a: (1) The provisions of Section 17 above notwithstanding, the rate of company tax for taxpayers with a turnover equal to or below CFAF 3 (three) billion shall be 25%.

(2) The rate provided for in paragraph 1 shall apply to as from the financial year closed at 31 December 2022.

Section 17 b.- (1) Tax adjustments made when auditing companies benefiting from reduced tax rates under special or exceptional tax arrangements shall be subject to the standard company tax rates, as defined in Sections 17 and 17a above, in the event of fraud as referred to in Sections M 107 et seq of the Manual of Tax Procedures, or improper use of the tax facilities granted under these arrangements.

(2) Fraud or failure to comply with the obligations laid down by the special or exceptional tax arrangements in question must be recorded in a report prepared and signed by both parties. Any refusal to sign must be mentioned in the report.

Section 17c: (1) The corporate income tax payable by digital sector enterprises with a significant economic presence in Cameroon shall be calculated by applying a rate of 3% (three per cent) to the total gross income earned within the Cameroonian territory.

(2) The tax thus calculated constitutes a minimum assessment. It shall be final and discharge the taxpayer from any further corporate income tax liability in Cameroon in respect of the income subject to this lump-sum taxation.

(3) By way of derogation from the provisions of (1) and (2) above, the enterprises concerned may opt to have their corporate income tax calculated by applying the standard rate of 30% (thirty per cent) to the actual net profit determined in accordance with Section 7a above.

(4) The option to be subject to the standard rate of taxation shall be subject to the following conditions:

a. written notification to the Tax Administration before the beginning of the financial year concerned;
b. be irrevocable for a minimum period of 5 (five) fiscal years;
c. submission, at the time of filing the annual return, of complete transfer pricing documents justifying the determination of the net taxable profit in Cameroon and the allocation of costs and expenses in accordance with the arm's length principle.

(5) In all cases, the amount of corporate income tax payable may not be less than the amount resulting from the application of the 3% (three per cent) rate provided for in (1) above.

DIVISION VII:
OBLIGATIONS OF TAXPAYERS

Section 18.- (1) Concerning the assessment of the tax base, taxpayers are required to file a return of the results of their business venture for the period used as the basis for taxation no later than:

- 15 March for taxpayers falling under the entity responsible for large taxpayers;
- 15 April for taxpayers falling under medium-size enterprise taxation

centres and specialized taxation centres;

- 15 May for taxpayers falling under **local and individual taxation centres**.

The said return shall be submitted in accordance with the OHADA accounting system or, for sectors governed by specific regulations, in accordance with the accounting standards provided for in the relevant instruments, in particular the Inter-African Conference on Insurance Markets (CIMA) framework for insurance companies and the Central African Banking Commission (COBAC) framework for credit and microfinance establishments.

(2) Liable taxpayers must also provide the documents prepared in accordance with the OHADA Chart of Accounts or, where applicable, the relevant specific accounting standards, including the CIMA framework for insurance companies and the COBAC framework for credit and microfinance establishments.

(3) The declaration referred to in Section 17 (1) must be accompanied by the Employee Information Document (DIPE) which must be presented following the model provided by the administration.

(4) Enterprises approved under a derogatory or special tax regime shall, within the same period, file a summary return of the operations for which they have benefited from an exemption, tax coverage, tax reduction or any other form of tax relief, together with the theoretical taxes corresponding to those operations.

Where they are not newly established, approved enterprises shall be required to keep separate accounts for operations relating to the approved investment project and to file a specific statistical and fiscal return for that project. The terms of implementing this obligation shall be specified in a separate instrument issued by the Minister in charge of finance.

(5) Companies shall equally communicate within the same period, all movements in their stock for the given exercise alongside the software used for the management of their stock. For those who keep computerized accounts, the movements in the stock should be produced in an electronic format.

(6) These obligations shall equally be applicable to corporate bodies who have not opted for the company tax or who are exempted from the said tax.

<u>Section 18 (a).-</u> New.- (1) Public limited companies shall equally keep a register of the securities they issue. The register is kept and updated by each company or person designated to that effect.

(2) The register numbered and initialed by the court registry where the company is located shall contain the following information:

- Transactions relating to the transfer, conversion, pledging and sequestration of securities;
- Date of transaction;
- Surnames, given names and residence of the former and new holder of securities, in the case of transfer;
- Surnames, given names and residence of holder of securities, in the case of conversion of securities to bearer of registered securities.

(3) In the case of transfer, the name of the former holder of the securities may be replaced by a serial number that helps to locate this name in registers. All information contained in the registers must be signed by the legal representative of the company or his delegated person.

(4) In case commercial company issue securities to the holder, the former is bound to the obligations provided for in the OHADA accounting schemes relating to the rights of commercial companies and economic interest groups.

<u>Section 18 (b).</u> - (1) Enterprises falling under the entity responsible for the management of large scale enterprises that are controlled by or which control other undertakings within the meaning of section 19a of this code shall be required to make an annual return on transfer pricing by electronic means, in accordance with the model established by the administration, within the period provided for in section 18 of this Code.

(2) The declaration referred to in the preceding subsection shall include notably:

(a) General information on the group of associated enterprises, including:

(i) a statement of their holdings in other Cameroonian or foreign companies;

(ii) a general description of the activities carried out, including changes in the course of the financial year;

(iii) general description of the group's transfer pricing policy;

(iv) a list of the intangible assets held by the group and used by the reporting enterprise, as well as the corporate name of the company that owns or co-owns the assets and it's state or territory of residence for tax purposes;

v. the nature of the relationship with the affiliated company.

(b) Specific information concerning the reporting enterprise, including:

(i) a description of the activity carried out, including the changes made in the course of the financial year;

(ii) a summary statement of transactions with associated companies within the meaning of section 19 a of this Code. This statement includes the nature of the relationship and the amount of the transactions, the corporate name and the State or territory of residence for tax purposes of the associated enterprises concerned by the transactions and of the beneficial owners of the related payments, the transfer pricing method applied and the changes made during the financial year;

(iii) a statement of loans and borrowings made with associated enterprises within the meaning of Article 19 a of this Code;

(iv) a summary statement of transactions carried out with associated undertakings within the meaning of Article 19 bis of this Code, for no consideration or for a non-monetary consideration;

(v) a summary statement of transactions carried out with associated enterprises within the meaning of Article 19 a of this Code, which are the subject of an advance transfer pricing agreement or a tax rescript concluded between the associated enterprise concerned by the transaction and the tax authorities of another State or territory.

(3) Failure to file the annual transfer pricing declaration within the prescribed time limit, or filing an incomplete or non-compliant declaration, will result in the application of a fixed fine as provided for in Article M 104 (2) of the Manual of Tax Procedures.

Section 18 c.- (1) Any company established in Cameroon is required to file, within twelve (12) months of the end of the tax year, by electronic means, a country-by-country declaration, in accordance with a format established by the tax authorities, including the country-by-country breakdown of profits of the group of multinational companies to which it belongs and tax and accounting data as well as information on the place where the activities of the companies in the group are carried out, when:

a. it holds, directly or indirectly, an interest in one or more undertakings such that it is required to prepare consolidated financial statements in accordance with applicable accounting legislation, or would be required to do so if its interests were listed on the Central African Stock Exchange (BVMAC);

b. it has annual consolidated sales excluding tax of at least four hundred and ninety-two billion (492,000,000,000) CFA francs for the financial year preceding that to which the declaration relates;

c. no other undertaking holds, directly or indirectly, a participation in the aforementioned undertaking within the meaning of point (a) of this paragraph.

(2) Any company established in Cameroon which meets one of the following conditions is also required to file the declaration provided for in this article within the time limit and in accordance with the procedures and format referred to above:

a. it is directly or indirectly owned by a company established in a State which does not require the filing of a country-by-country declaration but which would be required to file such a declaration if it were established in Cameroon; or

b. it is owned, directly or indirectly, by an enterprise established in a State which is not on the list provided for in paragraph 8 of this Article but with which Cameroon has concluded an agreement for the exchange of information on tax matters.

3) Any enterprise established in Cameroon which is owned, directly or indirectly, by an enterprise established in a State included in the list provided for in paragraph 8 of this Article, which is required to file a country-by-country declaration under the legislation in force in that State or which would be required to file such a declaration if it were established in Cameroon, shall also be required to file the declaration provided for in this Article when it is informed by the tax authorities of a systemic failure in the State of residence for tax purposes of the enterprise which owns it directly or indirectly.

4) An enterprise established in Cameroon, other than the ultimate parent entity of a multinational enterprise group, shall not be required to file the country-by-country declaration in respect of a tax year in the event of substitution filing in another jurisdiction by the multinational enterprise group, provided that the following cumulative conditions are met for that tax year:

- the jurisdiction of residence for tax purposes of the reporting entity requires the filing of a country-by-country declaration similar to that provided for in this Article;
- the jurisdiction of residence for tax purposes of the reporting entity has concluded an agreement authorising the automatic exchange of country-by-country declarations with Cameroon which is in force on the date on which the country-by-country declaration is due to be filed;
- the tax jurisdiction of residence of the reporting entity has not informed Cameroon of a systemic failure;
- the country-by-country declaration is exchanged by the jurisdiction of residence for tax purposes of the reporting entity with Cameroon;
- the jurisdiction of residence for tax purposes of the reporting entity has been informed by the constituent entity resident for tax purposes in its jurisdiction that the latter has been designated by the multinational enterprise group to file the country-by-country declaration on its behalf;
- a notification from the constituent entity resident for tax purposes in Cameroon has been received by the tax authorities, indicating the identity and tax residence jurisdiction of the declaring entity.

5) Where two or more enterprises established in Cameroon belonging to the same multinational enterprise group meet one or more of the conditions referred to in paragraphs 2 and 3 of this Article, one of them may be designated by the multinational enterprise group to file the country-by-country declaration provided for in this Article, subject to informing the Tax Authorities that the purpose of such filing is to fulfil the declaratory obligation imposed on all the enterprises of this multinational group of enterprises which are established in Cameroon.

6) The content of the country-by-country declaration provided for in this article shall be determined by order of the Minister of Finance.

7) The country-by-country declaration provided for in this Article may be exchanged automatically with States or territories which have concluded an agreement to this effect with Cameroon.

8) The list of States which have concluded an agreement with Cameroon authorising the automatic exchange of the country-by-country declaration provided for in this article shall be determined by order of the Minister of Finance.

9) Failure to lodge, or incomplete or inaccurate lodging of, the country-by-country declaration within the stipulated period shall result in the application of a fixed fine as provided for in Article M 104 (2) of the MTP.

Section 18 d.- (1) Financial institutions and similar bodies, including banks and financial establishments, as well as insurance and reinsurance undertakings, are required to identify the tax residence of all financial account holders. They must also identify, in the required manner, the tax residence of the natural persons who control these accounts, where applicable.

(2) Financial institutions and assimilated bodies shall communicate to the tax authorities, by means of a declaration conforming to the model prescribed by the tax authorities, all the information required for the application of conventions concluded by Cameroon allowing automatic exchange of information on financial accounts for tax purposes. They must also report any lack of information.

This declaration contains, in particular, information relating to the identification of the holders of financial accounts and, where applicable, that of the individuals who control them, as well as financial information relating to these accounts, including income from movable capital, account balances, the surrender value of insurance and annuity contracts, capitalisation bonds or contracts and similar investments, and the proceeds of sales or redemptions of financial assets.

(3) Financial institutions are required to keep records of actions taken to meet the obligations referred to in this article, as well as the supporting documents, self-certifications and other evidence used for this purpose, for a period of five (05) years following the end of the period during which they must provide the information required.

Section 18 e.- As from 1 January 2025, natural persons or entities opening financial accounts with financial institutions shall be required to submit a self-certification establishing their tax residence and, where applicable, the tax residence of the natural persons controlling them.

Section 18 f - (1) Where a person enters into a scheme or engages in a practice the principal purpose or one of the principal purposes of which may reasonably be considered to be to avoid an obligation imposed by the provisions of sections 18 quinquies and 18 g above or their implementing legislation, the said provisions shall apply as if the person had not entered into the scheme or engaged in the practice.

(2) The notion of "scheme" is defined as any arrangement, contract, practice, transaction or series of transactions, in whatever form, having one or more principal objectives, one or more of which is to evade one of the obligations imposed by the provisions of Articles 18 f and 18 g above or their implementing texts.

Section 18 g.- (1) Information collected by the tax authorities from the bodies referred to in section 18 i above may be communicated to the tax authorities of countries that have concluded agreements with Cameroon permitting automatic exchange of information on financial accounts for tax purposes.

(2) Information shall be communicated in accordance with the conditions laid down in the agreements concluded with the countries concerned.

Section 18 h - (1) Failure to comply with the identification and declaration obligations set out in Sections 18 quinquies and 18 sexies shall be punishable by a fine of FCFA 5 million per account. This penalty also applies to late, incomplete, insufficient or erroneous declarations.

(2) Natural persons or entities who fail to provide financial institutions with the self-certification provided for in Section 18e are liable to a fine of FCFA 1 million per account holder. The deliberate self-certification of erroneous information by an account holder or a natural person controlling the account holder constitutes forgery, punishable by the penalties provided for in the Criminal Code.

(3) Failure to keep the information and documents provided for in Article 18d is punishable by a fine of FCFA 1 million per year and per account subject to declaration. Failure to comply with the retention period provided for in Article 18 quinquies shall be treated as equivalent to failure to keep records.

Section 18i - The procedures for implementing the automatic exchange of information provided for in Sections 18 d et seq. of this Code shall be specified by regulation.

DIVISION VIII: ASSESSMENT

Section 19.- (1) For the assessment of corporation tax due by companies which are dependent on or which control companies located in Cameroon or outside Cameroon within the meaning of Section 19 bis of this Code, profits indirectly transferred to the latter either by way of an increase or decrease in purchase or sale prices, or by any other means, are included in the results of these companies. The profits indirectly transferred are determined by comparison with those which would have been made in the absence of dependence or control.

(2 The condition of dependence or control referred to in paragraph 1 of this Article shall not be required where the transfer of profits is made to undertakings which are:

- either established or resident in a State or territory considered to be a tax haven within the meaning of section 8 ter (new) of this Code;
- or subject to a privileged tax regime.

Companies are deemed to be subject to a preferential tax regime in a State or territory if they are not taxable there, or if their income tax is less than half of that which they would have been liable to pay in Cameroon if they had been domiciled or established there.

(4) Deleted.

Section 19 a.- Dependency or control relationships shall be deemed to exist between two enterprises:

(a) where one holds directly or by proxy 25% of the share capital or voting rights of the other or actually exercises decision-making powers in the other; or

(b) where both are placed, under the conditions defined in point (a) above, under the control of the same enterprise or person.

Section 19 b: Implementing instruments shall specify, where necessary, detailed rules for the application of the provisions of sections 18b, 19 and 19a.

Section 20.- As concerns exportation and related activities, the FOB value of goods shall serve as the minimum turnover to be taken into consideration for the assessment of the taxable result.

DIVISION IX: PAYMENT

Section 21.- (1) Corporate income tax shall be paid voluntarily by the taxpayer no later than the fifteenth day of the following month, in accordance with the following terms and conditions:

(a) For persons subject to the actual earnings tax system, one installment representing 2% of turnover realized each month shall be paid no later than the 15th day of the following month. Such installment shall be increased by 10% as levy for additional council tax;

(b) For production companies falling under the regulated profit margin, one instalment representing 2% of turnover realized after 50% abatement. Such instalment shall be increased by 10% as levy for additional council tax. They are companies in the following sectors:
- milling sector;
- pharmaceutical sector;
- fertilizer sector.

(c) For distribution companies under the regulated profit margin, one instalment representing 14% of gross margin shall be paid not later than the 15th of the following month. The instalment shall be increased by 10% as levy for additional council tax. They are companies that distribute:
- petroleum products and cooking gas;
- milling products;
- pharmaceutical products;
- press products;
- fertilizers.

(d) For persons subject **to the simplified system,** one instalment representing **2%** of turnover realized during each month and paid no later than the 15th day of the following month. Such instalment shall be increased by 10% for additional council tax.

However, the above advance payment shall be 14% of the gross margin, increased by 10% as levy for additional council tax for companies in the product distribution sector with an administered margin as referred to in paragraph (c) of this subparagraph.

(e) For companies not registered in a taxation center, the instalment rate shall be 10%. This rate shall be increased to 20% for forestry companies where, in addition, they do not provide evidence of possessing a logging permit duly issued by the competent authority.

(f) For non-resident enterprises in the digital sector, 3% of the gross amount of the income generated within the Cameroonian territory.

(2) The instalment referred to in section 21 (1) above shall be deducted at source by the public accountants and persons of equivalent status during the settlement of bills paid by the budget of the State, regional and local authorities, public establishments, public or semi-public corporations and some non-profit organizations as well as private sector enterprises, the list of which shall be established by regulation.

Notwithstanding the provisions of section 21 (1), the rate of the deduction representing the company tax instalment shall be fixed at 5% increased by 10% for additional council tax, irrespective of the tax system of the service provider for invoices relating to public procurement amounting to less than CFA five million francs.

For forestry companies, it shall be deducted at source during payment of undressed or sawn timber purchase invoice The tax deducted shall be paid to the Collector of Taxes under the same conditions as taxes payable spontaneously.

(3) The following shall be subject to advance payment:

- imports by traders, including those subject to the comprehensive tax system,
- purchases from industrialists, importers and lumbermen;
- the purchase of oil products by service station operators and commodities by exporters;
- transactions carried out by enterprises not listed in the file of active taxpayers of the General Directorate of Taxation;
- purchases of goods and services made by distributors, business partners and telephone, digital and similar service providers.

The following shall not be subject to a withholding tax:

- Imports by taxpayers under the specialized management units of the Directorate General of Taxation;
- purchases made by the State, councils and persons residing abroad from industrialists, farmers, importers, wholesalers, semi-wholesalers, logging companies;
- local purchase of petroleum products by marketers registered in the active taxpayer logbook of the department in charge of major enterprises;
- purchases made by non-profit organizations;
- retail purchases from importers-distributors.

The advance payment rate shall be:

- *Deleted;*
- 14% on the gross margin for the purchase of goods with regulated prices referred to in paragraph 1.c above;
- 10% of the amount of transactions, for taxpayers not registered with a taxation center;
- 10% of the amount of transactions, for taxpayers subject to the **comprehensive** tax system and engaged in import activities;

Purchases made by non-professionals directly from industrialists or in bulk from importers who are not distributors, shall be deemed to have been made for resale purposes. As such, they shall be subject to advance payment on purchase at a rate of 10%.

- 5% of the amount of transactions carried out, for traders falling under the

simplified tax system as well as by taxpayers falling under the comprehensive tax system;
- 2% of the amount of transactions, for traders subject to the actual earnings tax system;

The advance payment basis for imports shall be the customs valuation of goods. Deduction shall be levied as follows:
- As to what concerns importation, related to the customs services, it respects the same criteria as the customs duties;
- in the other cases, by the supplier or buyer of in-bond goods, they must make such advance payment within the first fifteen (15) days of the month following the date in which the transaction was carried out.

The advance payment or prepayment is not recoverable on the price. It shall be calculated without adding the council tax.

For persons subject to the company tax or personal income tax, the sum deducted in advance as down payment shall represent an installment of the monthly or quarterly installments.

(4) Excess payments shall be deducted from subsequent down payments. In case of cessation of activities, they shall be reimbursed.

Section21a(new).-Notwithstanding the provisions of Section 21 of this Code, enterprises operating in the telephone sector, including those carrying out related telecommunications, data transmission or similar digital services activities, shall pay monthly advance corporate income tax based on actual receipts collected during the relevant month.

DIVISION X: TAXPAYER'S OBLIGATIONS

Section 22.- (1) For the payment of the taxes collected, industrialists, importers, wholesalers, semi-wholesalers and forestry companies must:
- keep a register of purchases and a register of sales or documents in lieu thereof;
- make payments using counterfoil books issued by the taxation services;
- send to the Taxation Service at the same time as their tax returns, the statement of sales per customer, except retail sales.

In order to deduct the advance payment made at the time of purchase, taxpayers shall be bound to attach to their returns the list of names of suppliers, showing the amount of purchases and that of the tax deducted at source.

(2) The amount of tax owed by each company or council shall not be less than the tax resulting from the application of the 2% or 14% rate to the reference base as defined in Section 23 below.

This minimum tax shall be increased by 10 % as levy for additional council tax.

This amount shall be the minimum corporate income tax payable.

Regarding taxpayers subject to the simplified tax system, however, this rate shall be increased to 5%.

(3) Any withholding tax deducted on account of income tax or withholding tax on purchases gives rise to the issue of a withholding tax certificate. This certificate must be generated from the tax authorities' computer system.

Section 23.- The reference base for calculating the minimum tax shall represent the overall turnover for the previous financial year.

The base thus obtained shall be rounded to the nearest thousand francs.

"Overall turnover" shall mean the gross sales excluding the taxes realized on all transactions directly linked to the company's activities.

For enterprises engaged in the regulated profit margin activities defined in section 21 above, the reference base for calculating the minimum tax shall be the gross profit margin, gratuities and commissions of any nature received.

DIVISION XI *SPECIFIC OBLIGATIONS OF NON-RESIDENT COMPANIES IN THE DIGITAL SECTOR WITH A SIGNIFICANT ECONOMIC PRESENCE IN CAMEROON*

Section 23 a: (1) The corporate income tax payable by digital sector companies with a significant economic presence shall be assessed and electronically filed by the non-resident company concerned.

(2) The non-resident company shall file a monthly return of its gross turnover generated in Cameroon and pay the tax due no later than the 15th day of the month following that in which the taxable event occurred.

(3) The tax administration shall establish a secure electronic portal for the registration, filing and payment of corporate income tax by digital sector companies with a significant economic presence.

(4) The companies referred to in (1) above shall be subject to the obligations and penalty regime provided for in Section 149 c of this Code and the provisions of the Manual of Tax Procedures.

(5) An instrument issued by the Minister in charge of finance shall specify and, where necessary, supplement the terms and conditions of implementing this provision.

CHAPTER II: PERSONAL INCOME TAX

DIVISION I: GENERAL PROVISIONS

Section 24.- (1) A Personal Income Tax, assessed on the basis of the income earned, is hereby instituted.

(2) The following categories of income shall be considered as income referred to in Sub-section 1 above:

- salaries, wages, pensions and life annuities;
- income from stocks and shares;
- income from real estate;
- profits from handicraft, industrial and commercial activities;
- profits from farming business;
- profits from non-commercial and related professions.

SUBDIVISION I: PERSONS LIABLE

Section 25.- Subject to the provisions of international conventions and those of section 27 below, personal income tax is payable by all individuals whose tax domicile is in Cameroon on their worldwide income.

The following shall be deemed to have their tax domiciled in Cameroon:

a) persons having a home or principal place of residence in Cameroon;

b) persons engaged in a salaried or non-salaried professional activity in Cameroon, unless they can prove that this is being done only accessorily;

c) persons who have the core of their economic interest in Cameroon;

- civil servants or State employees working in a foreign country and who are exempt from taxes in the said country shall be considered as having their tax domicile in Cameroon;
- persons whose tax domicile is situated out of Cameroon shall be liable to the Personal Income tax for any profits made in Cameroon;
- persons of Cameroonian or foreign nationality, with or without a tax domicile in Cameroon, who earn profits or income taxable by Cameroon under the terms of an international convention to avoid double taxation, shall also be liable to the Personal Income Tax.
- The staff of international organizations, diplomatic and consular missions recruited locally or not and not having the status of diplomatic personnel pursuant in international conventions shall automatically be liable to Personal Income Tax in Cameroon.

Section 26.- Partners in general partnerships and active partners in limited liability partnerships who do not opt for the company tax system shall be personally liable to the Personal Income Tax for the proportion of the corporate earnings corresponding to their shares in the company.

The same shall apply to partners in non-trading companies (natural persons), joint-ventures and de facto firms not liable to company tax.

SUBDIVISION II: EXEMPTIONS

Section 27.- The following persons shall be exempt from the Personal Income Tax:

(1) The heads of diplomatic missions, consuls, personnel of diplomatic and consular missions of foreign nationality holding a diplomatic card issued by the Ministry of External Relations, only in so far as the countries represented by the said diplomatic and consular missions grant similar benefits to Cameroonian diplomatic and consular personnel;

(2) Staff members of international organizations with diplomatic status, insofar as the Established Convention or headquarters Agreement of such international organizations explicitly makes provision of such exemption;

(3) The administrative and technical staff of diplomatic missions, consular posts and international organizations where it is established that they are subject to income tax in their countries of origin;

(4) Natural persons, exclusively for their activities that are subject to the discharge tax.

SUBDIVISION III: PLACE OF ASSESSMENT

Section 28.- Where the taxpayer has a single place of residence in Cameroon, the tax shall be assessed at such place of residence.

Where he has several places of residence in Cameroon, he shall be assessed where he is deemed to have his principal place of residence.

Persons resident abroad, as well as civil servants and State employees working in a foreign country, who do not own a residence in Cameroon, shall be assessed at the place which has their main interest in Cameroon for the former, and at the Seat of their supervisory service, for the latter.

DIVISION II: BASIS OF ASSESSMENT OF THE PERSONAL INCOME TAX:

Section 29.- The basis of assessment of the personal income tax shall be the sum of each type of category of net income earned by the taxpayer within one fiscal year, after an abatement of a fixed amount of CFAF 500 000 concerning wages and salaries.

The categories of net income are defined in the provisions herein below.

SUBDIVISION I: SALARIES, WAGES, PENSIONS AND LIFE ANNUITIES

I -TAXABLE INCOME

Section 30.- Income from salaries, wages, allowances, emoluments, pensions and life annuities as well as profits earned by insurance agents, travelling salesmen-representatives, where the remunerated activity is carried out in Cameroon, shall be liable to Personal Income Tax.

Pensions and life annuities shall be deemed to be received in Cameroon where the beneficiary is based in the country.

II - EXEMPTIONS

Section 31.- The following income shall be exempt from the tax:

(1) Special allowances intended to cover inherent duty and service expenses insofar as they are effectively used for the intended purpose and not overstated;

(2) Family allowances or benefits;

(3) Allowances and benefits paid in any form by the State, councils and State institutions by virtue of the laws and decrees governing assistance and insurance;

(4) Temporary allowances, benefits and life annuities paid to victims of industrial accidents and their rightful claimants;

(5) Life annuities paid as damages by virtue of a court judgment ordering compensation for bodily injury leading to total permanent disablement, compelling the victim to rely on third party assistance to carry out the most ordinary acts of life;

(6) Fixed salary supplement paid to civil servants;

(7) Injury and disability pensions paid to ex-servicemen;

(8) Scholarships;

(9) Funds received as pension or death benefits or as cumulative compensation for death or injury;

(10) Salary increases resulting from the application of the salary adjustment index to civil servants and State employees working in diplomatic and consular missions abroad;

(11) Bonuses paid to workers during the award of labour medals by the Minister in charge of Labour;

(12) The share of the severance pay granted as damages pursuant to the labour legislation excluding the sums intended to cover the compensation for loss of salary.

III - BASIS OF ASSESSMENT

Section 32.- The basis of assessment shall be the gross amount of salaries, allowances, emoluments, wages, pensions and life annuities as well as benefits in kind or in cash granted to the persons concerned.

Section 33.-(1) Benefits in kind shall be valued according to the following scale, applicable to the gross taxable wage:

- housing	15%
- electricity	4%
- water	2%
- each servant	5%
- each vehicle	10 %
- food	10%
- telephone	5 %
- fuel	10 %
- security guard	5 %
- internet …...	5 %.

Benefits in kind not listed in paragraph 1 of this article are estimated at their actual cost.

(2) Any cash allowance representing benefits in kind shall be included in the basis of assessment for its actual amount, unless they are specifically exempted by a contrary provision.

Section 34.- (1) The net taxable income shall be determined by deducting the gross amount paid and the benefits in kind or cash granted, the business expenses calculated at a fixed rate of 30%, as well as the contributions paid to the State, the National Social Insurance Fund (NSIF) for compulsory retirement.

(2)The amount resulting from the application of the flat rate provided for in the first paragraph above is capped at FCFA four million eight hundred thousand (4,800,000) per year.

SUBDIVISION II: INCOME FROM STOCKS AND SHARES

I -TAXABLE INCOME

Section 35.- The following capital shall be taxed as income from stocks and shares :

a) proceeds from shares, stocks and similar income;

b) income from bonds;

c) income from assets, deposits, surety-bonds and current accounts;

d) profits from the transfer of shares, bonds and other kinds of shares.

e) income from digital assets.

A -Proceeds from stocks and shares income considered as such

Section 36.- All profits not ploughed back into the company shall be considered as distributed income. They include notably:

(1) All proceeds or profits not place in reserve or included in the share capital. Profits and capital gains become taxable when they are refunded to partners by deducting capital;

(2) All sums and stock put at the disposal of shareholders and not deducted from profits including:

a) except otherwise stated, sums allocated to partners directly or through intermediate persons or companies as advance payment, loans or installments; where such sums are reimbursed to a corporate body, they shall be deducted from the taxable income for the corresponding assessment period of reimbursement;

b) sums or stocks allocated to shareholders and equity shareholders representing redeemed shares for those exceeding their original values;

c) undisclosed earnings and profits;

d) sundry earnings and benefits granted to Partners of joint stock and limited liability companies and ploughed back into profits under the provisions of section 6 above.

(3) The remunerations granted to board members of limited companies, excluding salaries and industrial property royalties.

Subject to international conventions, the profits of companies whose location or head office is not in Cameroon shall be deemed to be shared every fiscal year to persons not resident or not having their registered office in Cameroon.

(4) Expenses of CFAF 100 000 (one hundred thousand) or more when paid in cash, irrespective of the financial year in which they were incurred.

<u>Section 36 a</u>.- *deleted*

<u>Section 37</u>.- The following shall not be deemed to be distributed income and shall be exempt from tax in the category of income from movable assets:

(1) Distributions in the nature of refund to partners or shareholders of contributions or issue premiums, provided that such distribution takes place only when all profits and reserves other than the statutory reserve have previously been distributed.

For the purposes of this provision the following shall not be deemed to be contributions:

a) Reserves incorporated in the capital ;

b) Amounts incorporated in the capital or reserves (merger bonuses) in the case of a company merger.

(2) Redemption of all or part of their capital, interest shares or capital investments made by authorized agents of the State, councils or other public authorities where such redemptions are justified by the lapsing of all or part of the corporate assets especially through gradual decline or through the obligation to return the concession to the granting authority;

(3) Reimbursement following the liquidation of the company and relating to the redeemed capital up to the amount which, at the time of the redemption, has been liable in Cameroon to the personal income tax.

(4) Amounts made available to shareholders by way of remuneration for loans, services or duties and duly deductible for the assessment of the company tax.

(5) Sums granted to shareholders by open-end investment companies for the repurchase of their shares.

<u>Section 38</u>.- In the case of company mergers, the gratuitous allotment to members of the company taken over of shares or capital stock in the company taking over or in the new company shall not be deemed to be taxable allotments for the purposes of Section 36 (2) (b) of this Code where the company taking over or the new company has its registered office in Cameroon.

<u>Section 39</u>.- Where a joint-stock company or a limited liability company owns either the registered shares of a joint-stock company or shares in a limited liability company, the personal income tax shall be assessed on all the dividends and other distributed proceeds. However, where the sums distributed for a financial year correspond to the proceeds from the said shares received during that same financial year, the tax borne by these proceeds shall be deductible from the amount of the tax owed by the above company.

The benefit of the foregoing provisions shall be granted on condition that:

(1) the stocks or shares owned by the parent company represent at least 25% of the capital of the subsidiary company;

(2) the parent companies and their subsidiaries have their registered office in Cameroon or another CEMAC Member company;

(3) the sum total of taxation borne by the subsidiary company shall be equal to that which it would support in the State of parent company;

(4) the stocks or shares allotted on issue have always been registered in the name of the holding company, and, where the shares concerned were not allotted on issue, that this company undertakes to keep them in registered form for two consecutive years at least.

(5) Any breach of this commitment shall be penalized by the taxation of income unduly applied for inadequate returns.

B -Income from bonds

Section 40.- The following shall be considered as income from bonds for the purpose of the present provisions:

- interest, back payments and other proceeds from debentures, government stocks, and other negotiable loan stock issued by councils and public establishments in Cameroon, associations of every kind and any companies, firms or enterprises of a financial, industrial, commercial or civil character of Cameroonian nationality;
- prize bonds and redemption premiums paid to holders of bonds issued in Cameroon.

They shall be liable to both personal income tax and, where necessary, company tax.

C -Income from financial assets, deposits and securities

Section 41.- Interest, back payments and all other proceeds from the following shall be deemed to be income from securities where they are not included in the earnings from an industrial, commercial, non-commercial, handicraft, agricultural or mining activity:

(1) financial assets in the form of mortgage debts, preferential debts or unsecured debts, other than those evidenced by bonds, government stock or negotiable loans under Section 40 above;

(2) Sight or fixed term deposits with any depository and for any purpose whatsoever;

(3) Cash garantes;

(4) Current accounts.

D - Profits from the disposal of shares, bonds and other equity interests

Section 42.- The net aggregate capital gains realized in Cameroon or abroad from the direct or indirect disposal of shares, bonds and other equity interests in companies governed by Cameroonian law, including those relating to natural resources, by natural or legal persons, shall be subject to tax as income from movable capital.

Indirect disposals of shares, equity interests or bonds in enterprises governed by Cameroonian law shall include:

1. any disposal carried out in Cameroon or abroad between two foreign companies belonging to the same consolidation group, where one of such companies holds, directly or indirectly, all or part of the capital of a company governed by Cameroonian law;
2. any transaction or series of transactions, including those carried out through interposed entities, which directly or indirectly results in the transfer of ownership or control of a company holding assets located in Cameroon;
3. any restructuring, merger, demerger, partial transfer of assets or any similar transaction resulting in a change in the ownership or control of assets held in Cameroon.

E. Income from digital assets.

Section 42 a - The methods of taxation of income derived from digital assets are specified by a specific text issued by the Minister in charge of Finance.

II - EXEMPTIONS

Section 43. - The following shall be exempt from personal income tax:

- interest accruing on negotiable securities in respect of loans issued by the State and regional and local authorities;
- interest accruing on savings accounts containing deposits of not more than CFAF 50 (fifty) million francs;
- interest on savings accounts for housing purposes;
- interest on cash vouchers;
- net overall capital gains referred to in Section 42 of this Code, where such amounts do not exceed 500,000 (five hundred thousand) CFA francs.

III –ASCERTAINMENT OF TAXABLE BASIS

Section 44.- Taxable income shall be assessed in respect of:

(1) Proceeds of stocks, capital shares and related income, by the gross amount of allotted dividends;

(2) Bonds, government securities and loans by interest or income shared out in the financial year;

(3) Repayment premiums, by the difference between the amount reimbursed and the loan issue rate;

(4) Income from loans, deposits and sureties, by the gross interest, arrears and any other proceeds of the securities referred to in Section 41 of this Code;

(5) Transfer of shares, bonds and other stocks by the net overall capital gains arising from and losses recorded during the financial year on each type of security held by the taxpayer.

(6) Income from indirect transfers referred to in Section 42 above, through the capital gain obtained from the transfer price quota corresponding to the shares of the foreign entity in the Cameroonian company's capital.

The capital gain or loss on each disposal transaction carried out during the financial year is calculated as the differential between the transfer price for secureties concerned and the purchase price or the allotment value in the case of the acquisition of these securities when a company is formed or its capital is increased. Under no circumstances may the amount to be taken into account as the transfer price, for the determination of the capital gain or loss be less than the value of the shares sold.

In the event of net overall losses recorder in a financial year, such losses shall be offset by any net overall profits recorded in the next four financial years.

IV - UNDISCLOSED INCOME

Section 45.- Companies and other corporate bodies liable to company tax shall be subject to the Personal Income Tax levied on the global amounts which such companies or corporate bodies have paid out directly or through a third party to persons of undisclosed identity during the period considered for the establishment of the Company Tax.

The highest rate of Personal Income Tax shall be levied on such income. Such levies shall be accompanied by a 100% non-negotiable penalty.

The application of the personal income tax to the said companies or corporate bodies shall not bear assessment of the amounts specified above in the name of the beneficiaries where they can be identified by the authorities.

SUBDIVISION III: INCOME FROM PROPERTY

I - TAXABLE INCOME

Section 46.- The following shall be included in the category of income from property where they are not included in the profits of an industrial, commercial or handicraft concern, agricultural undertaking or a noncommercial profession:

(1) Income from the renting out of built-on or non-built-on property situated in Cameroon;

(2) Capital gains realized including real estate civil society from built-on or non-build-on property acquired against payment or free of charge;

(3) Interest earned by shareholders of a realty partnership that did not opt for company tax.

II - EXEMPTIONS

Section 47. - Income from real estate owned by the State or local and regional authorities shall be exempted from personal income tax.

III – ASCERTAINMENT OF TAXABLE BASIS

Section 48.- (1) The net taxable income from property shall be equal to the difference between the amount of gross income earned and the total amount of charges attached to the property that are deductible.

(2) The charges attached to property that are deductible in assessing the net income are fixed at 30% of the gross income, unless where real expenses are justified.

(3) The taxable capital gains provided for in Section 46 (2) above shall be calculated using the difference between the price declared by the parties and the value of the property at the last transfer. The value of the property at the last transfer shall, where applicable, include building and/or transformation costs duly justified.

In fixing the basis of assessment of the capital gains, the following shall be considered as deductible charges:

- real cost relating to the last transfer, where such was done against payment;
- real cost relating to the last transfer, excluding registration duties, where such transfer was done free of charge.

(4) Where the last transfer was made through direct registration, the value considered as basis for the assessment of capital gains shall be that stated in the deed by the parties.

In fixing the basis of assessment of the capital gains, the following shall be considered as deductible charges:

- either a lump sum abatement of 30% for persons not subject to accounting;
- real costs relating to the last transfer, excluding registration fees, for persons subject to accounting.

Section 49.- On the assumption that the determination of the assessable basis as defined in Section 48 above results in a deficit, such deficit shall be borne by the land revenue of the next four financial years.

SUBDIVISION IV: HANDICRAFT, INDUSTRIAL AND COMMERCIAL PROFITS

I - TAXABLE INCOME

Section 50.- Profits made by natural persons operating in Cameroon and derived from the exercise of an activity in commerce, industry, handicrafts, mining or forestry shall be deemed to be industrial and commercial profits for the purpose of the personal income tax. The same shall equally apply to profits made by:

- holders of mining and quarry concessions;
- lessees and sub-lessees of mining concessions;
- holders of mining and quarry permits;
- oil and gas prospectors.
- non-salaried insurance brokers or sales representatives.

Section 51. - Profits made by the following natural persons shall also be deemed to be industrial and commercial profits:

- persons acting as intermediaries in the purchase and sale of real estate or business property, or who habitually buy and resell the same property in their own name;
- persons who parcel out and sell land they own after site development;
- persons who let out an industrial or business establishment fitted with the furniture and equipment required for its practical use whether or not such letting out includes all or part of the intangible assets of the same business or industry;
- persons who let or sub-let all or part of furnished property in their ownership;
- Persons whose principal or ancillary activity is the operation of games of chance and games of entertainment.

II – ASCERTAINMENT OF TAXABLE BASIS

Section 52 (new).- (1) In the absence of a return or accounting records, the tax base shall be determined by applying the profit rate fixed by decree to the turnover reconstructed by the Tax Administration on the basis of the actual information available to it.

(2) Deductible business expenses for assessing the net income of non-salaried commercial representatives or agents shall be fixed at 30% of the gross income, unless expenses incurred are duly substantiated.

SUBDIVISION V: AGRICULTURAL PROFITS

I - TAXABLE INCOME

Section 53.- Income earned by farmers, share-croppers, smallholders, or by the actual owners of agricultural undertakings shall be deemed to be profits from agriculture for the assessment of personal income tax.

II ASCERTAINMENT OF TAXABLE BASIS

Section 54.- *Repealed*

Section 55.- The profit of farmers subject to the Comprehensive Tax Scheme consists of the surplus of income from crops, livestock and other products over the expenses incurred by the farm during the financial year.
In addition, this calculation takes into account, on the one hand, the production stored at the end of the financial year and, on the other hand, the depreciation of fixed assets, under the conditions set out in **Article 7-D** of this Code.
The rules on the taxation of capital gains set out in Articles 8 to 10 of this Code also apply.

SUBDIVISION VI: NON-COMMERCIAL PROFITS

I - TAXABLE INCOME

Section 56.- (1) Earnings from liberal professions, public offices and trusts held by persons without commercial status, from non-salaried income of sportsmen and artists, and from all operations, gainful activities and sources of gain unconnected with any other category of profit or income shall be deemed to be non-commercial earnings or earnings considered as such.
(2) Profits shall notably comprise:

- **a)** income from stock-exchange operations performed by individuals;
- **b)** royalties received by authors or composers or by their heirs or legatees;
- **c)** sums paid to inventors either for the right to use their patents or for the transfer of concession of trademarks or manufacturing formulae;
- **d)** The remunerations granted to board members of public institutions, public and semi-public corporations in any capacity;
- **e)** The allocations of any nature such as allowances, gratuities, compensations and daily subsistence allowances granted, in addition to salaries, by public and semi-public entities, excluding statutory compensations falling under the category of wages and salaries, and reimbursement of costs, the list of which shall be established by decision of the Minister in charge of finance;
- **f)** The amounts, allowances, allocations or remunerations of any nature paid to sports men and artists irrespective of their tax domicile.
- **g)** Income generated on digital platforms by individuals who sell goods, provide services or exchange or share goods on these platforms.
- **h)** remuneration for services of any kind paid to individuals under the non-professional taxpayer regime.

(3) Registrars holding a public office shall be liable to the tax on non-commercial earnings, pursuant to the rules applicable to earnings from trusts and public offices, on the basis of the sum total of their net earnings, calculated as salaries and allowances paid which shall be placed in the category of salaries and wages.

II – ASCERTAINMENT OF TAXABLE BASIS

Section 57. Subject to the provisions of section 8 of this Code, taxable earnings shall take into account all gains and losses due either to the realization of assets used in professional practice, or to transfers of trusts and offices, as well as any compensation received for discontinuance of business or assignment of clientele.

Section 58*(new)*.- For individuals engaged in passenger transport via a digital platform, taxable income shall be fixed at 20% of the gross amount received per trip.

Section 59.- As concerns literary, scientific and artistic productions, income from which is not collected annually, the taxable profit may, at the taxpayer's request, be determined by deducting the average expenditure for the year of assessment and the two previous years from the average receipts for these same years.
Taxpayers who adopt this method of assessment for any given year may not go back on their option for the following years and are compulsorily assessed on the basis of actual earnings for income accruing from their literary, scientific or artistic productions.

SUBDIVISION VII: PROVISIONS COMMON TO HANDICRAFT, INDUSTRIAL, COMMERCIAL, AGRICULTURAL AND NON-COMMERCIAL PROFITS

I- ASSESSMENT SYSTEMS

A- GENERAL PRINCIPLE

Section 60.- *Repealed*
Section 61.- *Repealed*
Section 62.- *Repealed*

Section 64.- *Repealed*

I- CALCULATION OF PROFITS OF TAXPAYERS ASSESSED UNDER THE ACTUAL EARNINGS SYSTEM

Section 65.- *Repealed*

Section 65 a: Where, in the course of a financial year, a taxpayer realized an income which, by its nature, may not be made available to him annually and where the amount of such special income exceeds the average net incomes on the basis of which the taxpayer was liable to the Personal Income Tax for the previous three years, the tax payable by the person concerned shall be calculated by adding one quarter of the net special income to his net taxable income and multiplying the additional tax thus obtained by four.

Where the amount of the exceptional income is above the income threshold subject to the marginal rate of personal income tax, the tax payable by the taxpayer is calculated on the basis of the overall net taxable income, plus the net exceptional income after a **35%** allowance.

The employer shall be bound to transmit to the taxation centre of his place of assessment, for tax returns purposes, all the elements that served as basis for calculating the special income tax. These elements must be attached to the returns filed by the employer for the month of payment of the special income.

The above provision shall apply only to the special or deferred income taxed according to the graduated schedule provided for in Section 69 of this code.

SUBDIVISION VIII: ASSESSMENT BASED ON OUTWARD SIGNS OF WEALTH

Section 66.- The Personal Income Tax based on outward signs of wealth shall be payable automatically by any taxpayer whose personal conspicuous or acknowledged expenditure exceeds his declared income, and by any taxpayer who, under the same conditions, did not file any return.

The total taxable income shall be determined by applying the scale below to some components of his lifestyle. In case of disagreement, the onus of proof shall lie with the Administration.

The actual amount of the other maintenance expenditure not included in this scale shall be taken into account. The difference between the evaluation of the components of a taxpayer’s lifestyle and his personal income tax return shall be established when the fixed amount resulting from the application of the provisions of the foregoing subsections exceeds by no less than 40% of the net overall income return made during any of the last two fiscal years.

For purposes of application of the foregoing provisions, the actual rental value shall be determined from duly registered written leases, or by comparing the premises for which rents have been regularly recorded or generally known.

Where the taxpayer has at least four typical lifestyle components, the fixed income corresponding to such components shall be increased by 25%. Where the gross income is assessed through water, electricity and telephone bills, the taxpayer is authorized to indicate his deductible expenses.

The elements used to determine the basis of assessment of a taxpayer shall include those of his or her spouse or his or her direct ascendants or descendants where the latter do not declare their income.

However, where the determined income arises in whole or in part from the fact that the taxpayer has income expressly exempted from personal income tax by virtue of a special provision, such taxpayer may, provided he shows proof thereof, be granted a deduction of the said exempted income.

SCALE FOR DETERMINING FIXED INCOME ACCORDING TO COMPONENTS OF LIFESTYLE

COMPONENTS OF LIFE STYLE	CORRESPONDING FIXED INCOME
1. Rental value of principal residence, excluding official or company accommodation, less the value of professional premises.	Twice the actual rental value
2. Rental value of secondary residences within and out of Cameroon.	Twice the actual value
3. Domestic servants and other employees, for each person less than 60 years old.	300,000 CFAF
4. Motor vehicles for the transportation of persons, according to horsepower :	
a) Vehicles of no more than 6 hp	180,000 CFAF
b) Vehicles of 7 to 10 hp	360,000 CFAF
c) Vehicles of 11 to 15 hp	540,000 CFAF
d) Vehicles of more than 15 hp	720,000 CFAF
In all the above cases	A 1/3 abatement for vehicles of 5 to 10 years old and 2/3 abatement for those more than 10 years.
5. Yachts or pleasure boats of a capacity of not less than 3 gross tons : for each gross ton.	1, 000,000 CFAF
6. Pleasure and touristic trips abroad	Five times the transport fare per trip
7. Swimming pool	500,000 CFAF
8. Private aircraft per hp of the aircraft	500,000 CFAF
9. Water, electricity and telephone bills	5 % of gross income

SUBDIVISION IX:
ACTS CONSTITUTING LIABILITY AND LIABILITY FOR PAYMENT

<u>Section 67</u>.- Every taxpayer shall be liable to personal income tax on the basis of his personal acquired income. Acquired income shall be understood as accrued earnings constituting an entitlement pending the actual earning of such income.

<u>Section 68</u>.- (1) Personal income tax becomes payable, in respect of wages, salaries, pensions and life annuities, Income from Stocks and Shares **and** rental income, at the time such income is placed at the disposal of the taxpayer.

(2) Taxpayers assessed under the actual earnings taxation system shall be liable to personal income tax accruing from industrial and commercial profits, agricultural profits and non-trade related profits. Such deductions shall be made from the actual earnings.

<u>DIVISION III:</u>
TAX CALCULATION

<u>Section 69</u>.- (1) Subject to international conventions, personal income tax applied to salaries shall be calculated by applying the following scale on net wages, salaries, pensions and annuities:

- from 0 to 2, 000,000 CFAF …10%
- from 2, 000,001 to 3, 000,000 CFAF ……………………….15%
- from 3, 000,001 to 5, 000,000 CFAF………………………. 25%
- more than 5, 000,000 CFAF ……………………………... 35%

(2) For taxpayers earning industrial and commercial profits, non-commercial profits referred to in Section 56 (2) a, b, c, agriculture profits and real estate income, the tax shall be calculated by applying the rate provided for in Section 17 of this Code.

The tax thus calculated shall not be less than 2% of the current year's turnover, increased by 10 % as levy for additional council tax.

(3) In the specific case of income and non-commercial profits referred to in Section 56(2) d, e, f and h of this Code, tax shall be calculated by applying a 10% flat rate to taxable income. This rate shall be reduced to 5% for the income referred to in Section 56(2) g.

<u>Section 70</u>.- (1) In the specific case of income on stocks and shares, a 15% flat rate shall be applicable to taxable income.

The rate shall be increased to 30% for income on stocks and shares, in general, any passive income, including income from property, paid to a natural or legal person resident or established on a territory or a State considered as tax paradise within the meaning of Section 8c of this Code.

(2) Notwithstanding the provisions of the first paragraph of this Section, this rate shall be 10% for dividends regularly distributed by companies whose turnover is less than or equal to CFAF 3 (three) billion.

<u>Section 71</u>.- The calculated tax and the minimum, payment rates laid down in Sections 69 and 70 above shall be increased by 10% representing additional council taxes.

<u>Section 72</u>.- The tax per vehicle payable by road transport operators subject to the simplified tax system shall be equal to one quarter of the highest taxable amount provided for Category C discharge tax multiplied by the number of seats.

The tax thus calculated shall imply full exemption from Personal Income Tax and Value Added Tax.

<u>DIVISION IV:</u>
ACCOUNTING OBLIGATIONS

<u>Section 73 (new)</u>.- (1) Taxpayers assessed under the actual earnings regime shall prepare their accounts with the standard accounting methods set out in the OHADA law and keeping the provisions of section 19 of this Code.

<u>DIVISION V:</u>
OBLIGATION TO FILE RETURNS

<u>Section 74</u>.- All professional taxpayer liable to Personal Income Tax shall file annual returns of their income during the past year no later than 15 March of each year.

Individual holdings falling under the specialized management units shall file their returns to these entities.

Where an individual farm does not belong to a specialized management unit but has several establishments spread over the territory of several taxation centres, it shall, in addition to its monthly returns to each of these centres, compulsorily file to the tax office where its main establishment is found a summary tax return showing its turnover by establishment.

The annual summary tax return shall lead to adjustments, where applicable.

Section 74a: (1) Non-professional taxpayers who receive income from salaries, wages, pensions, life annuities and/or income from transferable securities and income from property, and in general any passive income, shall file a recapitulative annual income tax return with the tax centre of their place of residence, within the following deadlines:

- by 31 July each year latest for dignitaries, the list of whom shall be set out in a separate instrument issued by the Minister in charge of finance, and employees in the public and semi-public sector;
- by 30 September each year latest, for employees of private-sector taxpayers covered by the Large Enterprises Department, the Medium-sized Enterprises Tax Centres and the Specialized Tax Centres;
- by 31 October each year latest for other individuals.

(2) The annual summary income tax return can be directly filed online using a form provided by the administration. It is listed by income category:

- amount of income earned during the past financial year;
- deductions at source already made or advance payments made;
- balance to be paid, if any.

(3) Any annual summary income tax return showing a balance of personal income tax to be paid must be accompanied by means of payment. The said payments shall be made in accordance with the procedures defined in Section M 7 of the Manual of Tax Procedures, i.e. electronically by mobile phone, by bank transfer, by electronic payment or in cash at bank counters.

(4) After validation by the competent services, the annual summary tax returns which show that an excess amount has been collected shall give rise to a refund or deduction from future taxes at the request of the taxpayer.

(5) Any person who pays the income referred to in paragraph 1 of this section shall provide the beneficiaries, by 15 March of each year latest, with a detailed summary statement showing all the earnings and remuneration paid during the previous calendar year, together with details of the deductions made at source on such amounts.

Failure to comply with this obligation shall expose the paying party to the penalties provided for in Section M 104 of the Manual of Tax Procedures, applicable per summary statement referred to above.

Section 75.- For couples married under the joint property regime, any real estate earnings may be declared by either spouse.

Section 76.- The return referred to in Section 74 above shall indicate, where necessary, the mode of payment.

Section 77.- With respect to real estate income, where the return shows a tax credit, such credit may entail clearing compensation.

Section 78.- As concerns income from securities, any natural or legal person that claims to pay interest, dividends or other income from stocks and shares or whose claims include accessory transactions of such nature may not for this reason, make any payment nor open any account without requesting from the claimant proof of his identity, indication of his actual domicile and his Single Identification Number.

Furthermore, he shall be bound to send to the Director General of Taxation or to the head of the competent Taxation Centre during the month following that of the distribution, a statement of the sum paid by him in any form. Such statement shall indicate, for each claimant, their full name, actual domicile and net amounts or the value of the benefit in kind received by him in any form. Such statement shall indicate, for each claimant, their full name, actual domicile and net amounts or the value of the benefit in kind received by him.

The same obligations shall be incumbent upon local authorities for the dividends and interests from their own shares and stocks or bonds paid to individuals or companies other than those charged with servicing their coupons.

The natural or legal persons subject to the provisions of this Section and who fail to comply with it or who knowingly misrepresent the facts in the statements submitted to the tax authority shall be liable to the penalties provided for in the Manual of Tax procedures.

Section 79.- Any person, company or association habitually holding in trust securities shall be bound to send to the Director General of Taxation or the head of the competent Taxation Centre notices of opening and closure of any deposit account for securities, bonds or cash, current account and other. Persons who contravene the provisions of this section shall be liable to the penalties provided for in Section M104 of the Manual of Tax Procedures.

DIVISION VI: PAYMENT OF TAXES

Section 80.- Personal income tax shall be payable at the end of the financial year under the conditions provided for in Section 74 above.

However, it shall be paid by installments or deductions at source made during the financial year under conditions laid down in Sections 81 *et seq*.

SUBDIVISION I: SALARIES, WAGES, PENSIONS AND LIFE ANNUITY

Section 81.- Tax payable by wage-earners in the public and private sectors shall be determined under the conditions laid down in Sections 30 *et seq* of this Code and deducted at source by the employer at the time of each payment of taxable sums and clearly indicated on the wage-earner's pay slip.

However, employers shall be exempted from making the above deduction from the wages of employees earnings less than CFA 62,000 francs a month.

Section 82.- Personal Income Tax deducted at source in the manner stipulated in Section 81 above shall be paid no later than the 15^{th} of the following month at the Tax Office of the employer's tax centre.

Section 83.- Each payment shall be accompanied by a payment form detached from the Information Document on Employed Personnel (DIPE) provided by the tax authority.

Section 84.- Employers under a specialized management unit and operating several establishments shall be authorized to make payments of taxes deducted from the salaries of all their employees exclusively to the account of the collector of Taxes of the place of their registered office.

SUBDIVISION II: INCOME FROM SECURITIES

Section 85.- (1) Personal income tax levied on capital gains from securities calculated in accordance with Section 69 of this Code shall be deducted at source by the person paying the proceeds mentioned in Sections 35 *et seq* of this Code. The deduction thus made gives rise to the issue of a certificate of deduction at source which must be generated from the tax authority's computer system.

It is paid to the tax collection office of the place of location of the head office of the person who filed the return 15 days after the beginning of payments for such products.

Whatever the case and pursuant to Section 146 of the OHADA uniform Act relating to commercial enterprises and EIG, dividends paid out by the General Assembly shall be deemed as distributed to the beneficiaries after a lapse of 9 (nine) months following the close of the financial year, unless an extension is granted by the president of the court having jurisdiction. The same shall apply to profits deemed to have been distributed by companies with neither domicile nor registered office in Cameroon, in accordance with the provisions of Section 36 (3) of this Code.

(2) Income distribution and other income referred to above, except for dividends earned by investment companies, shall remain subject to personal income tax deduction at source for companies exempted from company tax on capital gains from securities.

Section 86.- Personal income tax from capital gains from foreign securities earned by natural persons or corporate bodies domiciled, resident and based in Cameroon shall be deducted at source by the person paying such tax in Cameroon.

Where such payments are made abroad, the beneficiary must indicate such information on the yearly return provided for in Section 74 of this Code and spontaneously pay the corresponding tax.

SUBDIVISION III: REAL ESTATE INCOME

Section 87.- A **10%** deduction at source shall be levied on gross real estate income calculated in compliance with the provisions of Section 48 of this Code.

The withholding tax shall be levied exclusively by public services and establishments, legal entities and sole proprietorships subject to the actual system of assessment, **the comprehensive tax regime** or the regime for non-profit-making organizations (NPOs) that appear on a list established by regulation.

The following shall be exempt from this tax deduction at source:

- **rents paid to entities authorized by the Minister in charge of finance to deduct at source;**
- **rents paid by taxpayers subject to the comprehensive tax system to landlords subject to the actual earnings system.**

Section 88.- The deduction shall be made by the person paying the rents who shall be responsible for payment of the said amount to the Taxation Centre of the place of location of the building, using an official counterfoil book, not later than the 15th of the month following the actual payment of the rents.

The withholding tax on rent gives rise to the issue of a withholding tax certificate which must be generated from the tax administration's computer system.

Section 89.- Rents paid by taxpayers falling under the deduction at source tax system provided for in Section 87 above shall be liable to property income tax at the discharge rate of 10%, increased by 10% representing additional council tax.

This tax shall be paid upon declaration by the owner or beneficiary of the rents no later than the 15th of the month following the end of each quarter.

Section 90.- The capital gains referred to in section 46 (2) shall be subject to a 5% flat rate deducted by the notary for the vendor and paid at the same time as the registration fees. This rate is increased to 10% when the transaction is made in cash.

However, the buyer may also pay the capital gains tax on behalf of the seller.

SUBDIVISION IV: HANDICRAFT, INDUSTRIAL, COMMERCIAL, AGRICULTURAL AND NON COMMERCIAL PROFITS

Section 91.- The taxpayer shall voluntarily pay the personal income tax at the taxation centre with jurisdiction, using special forms provided by the Tax Administration, as follows:

(1) ……… (Deleted).

(2) Actual earnings taxation system

An initial payment of 2% of the monthly turnover shall be due no later than the 15th of the following month. This shall be based on a return made on a form provided by the Tax Authority, which shall acknowledge receipt.

However, for enterprises subject to the **actual earnings** or simplified tax systems and operating in regulated profit margin sectors, the turnover used to calculate the corporate income tax instalment shall be determined as set out in Section 21 above.

The down payment mentioned in subsections 1 and 2 above shall be increased by 10% to include additional council taxes.

The down payments made during the financial year shall be deducted from the annual tax payable. The balance shall be paid spontaneously in a single payment no later than the 15 March using the return form mentioned in Section 74 above.

The sums paid in excess shall be deducted from future installments. Where the business closes down such payment shall be refunded.

The provisions of Section 21 of this Code relating to advance payment on the purchase of goods shall also apply to personal income tax. However, the above mentioned payment is raised to 3% for purchases made by taxpayers who are not assessed under the actual earnings system and 5% for purchases made by taxpayers who are not assessed under the actual earnings system.

Section 92.- The instalments referred to in Section 91 above shall be deducted at source by public accountants and persons of equivalent status when settling bills paid from the budget of the State, regional and local authorities, public establishments, public or semi-public corporations as well as non-profit organizations and private sector enterprises, the lists of which shall be established by regulation.

Notwithstanding the provisions of Section 91 above, the rate of deduction as instalment on personal income tax shall be fixed as follows:

- **5% increased by 10% as additional council taxes (ACT),** regardless of the service provider's tax regime, for invoices relating to public procurement of an amount less than 5 million CFA francs;
- **2%, increased by 10% for the additional council taxes (ACT),** for taxpayers under the comprehensive tax system

Section 92 (a).- A 5% instalment shall be deducted at source by the State, regional and local authorities, administrative public establishments, public or semi-public companies, private enterprises and non-profit organizations on the fees, commissions and emoluments paid to members of liberal professions, irrespective of their legal form or tax system.

The deduction referred to above shall also be applied to remunerations for occasional or non-occasional services granted to natural and legal persons resident in Cameroon and subject to the simplified tax or **the comprehensive tax systems.**

Section 92 (b) (new).- The tax due pursuant to the provisions of Section 56 (2) d, e, f shall be deducted at source by the entity that makes the payment or the operator of the digital platform.

The amount deducted shall be paid not later than the 15th of the following month to the taxation office with jurisdiction.

Section 93.- deleted.

Section 93(a) .- (1) Tax owed by non-salaried workers, sales agents or representatives, including those of the insurance sector shall be deducted at source at flat rate of 10% on the amount of the remunerations granted them after deduction of the business expenses provided for in section 34 of this code.

(2) Notwithstanding the provisions of section 93 (a) (1) above, tax owed by beneficiaries of remunerations as part of direct network sales shall be deducted at source at a flat rate of 10% of the amount at such remunerations.

The calculated tax shall be increased by 10% representing additional council tax.

Section 93a A.- The deductions made at source in respect of the income tax instalment provided for in sections 92, 92a, 92 ter (new), 93 and 93a give rise to the issue of a deduction at source certificate which must be generated from the tax administration's computer system.

CHAPTER III:
GENERAL AND COMMON PROVISIONS ON COMPANY AND PERSONAL INCOME TAX

DIVISION I:
ASSESSMENT REGIMES
SUBDIVISION I
PRINCIPLE

Section 93 (b).- Natural or legal persons shall be assessed according to the following systems, determined on the basis of the turnover realized:

- Comprehensive taxation system;
- Actual earnings taxation system;
- non-profit organizations system.
- Non-professional taxpayers.

Section 93 (c).- (1) The comprehensive tax system shall apply to taxpayers carrying out an activity of a commercial, industrial, artisanal, agro-pastoral or non-commercial nature, whose annual turnover, excluding taxes, is less than:

a. 50 000 000 (fifty million) CFA francs for commercial, industrial, handicraft or agro-pastoral activities;
b. 30 000 000 (thirty million) CFA francs for liberal professions.

(2) The following shall fall under the actual earnings system:

a. Based on their turnover:
  i. sole proprietorships and legal persons with an annual turnover, net of taxes, equal to more than 50 000 000 (fifty million) CFA francs;
  ii. members of liberal professions with an annual turnover, net of taxes, equal to or more than 30 000 000 (thirty million) CFA francs.
b. Regardless of their turnover:
  i. new taxpayers in the oil, mining, gas, credit, microfinance, insurance and mobile telephone sectors;
  ii. New taxpayers who can provide evidence of approval under one of the regimes set out in Ordinance No. 2025/002 of 18 July 2025 to lay down investment incentives in the Republic of Cameroon;
  iii. holders of notarial offices;
  iv. upon express derogation granted by the Director-General of Taxation, new taxpayers justifying an investment programme duly validated by the tax administration, or an order for an amount exceeding 100 000 000 (one hundred million) CFA francs.

Section 93 (d).- Enterprises with turnover below the ceilings referred to in section 93 (C) above shall remain in their initial systems for a period of two years.

SUBDIVISION II
EXCEPTIONS

Section 93 (e).- In any case, the profits of the companies referred to in section 26 shall be assessed under conditions provided for in the case of sole proprietorships and legal persons, according to the actual earnings taxation system as provided for in sections 93 (b) 93 (c), except real estate non-trading companies that are assessed under income from property where they do not opt for company tax.

Associates or partners of these companies shall be deemed to have received their share of profits by the close of the company's accounting year.

Section 93 (f).- Specific tax systems for inter-urban passenger transport companies:

(1) Natural and legal persons engaging in the following activities shall be liable to the actual earnings taxation system:

- Inter-urban and road passenger transportation using minibuses and buses with less than 50 seats and operating more than 5 vehicles;
- Inter-urban road passenger transportation using buses with at least 50 seats, irrespective of the number of vehicles.

Section 93 (g).- Specific taxation system for enterprises engaging in games of chance and games of entertainment.

(1) The following natural and legal persons shall fall under the actual earnings taxation system: operators of baby-foot having more than 25 machines, operators of pinball and video games having more than 15 machines and operators of slot machines having more than 10 machines.

<u>Section 93 (h)</u>.- The taxable profit of natural persons subject to the actual earnings system shall be determined in the same manner as for corporate income tax.

<u>Section 93 h bis</u>: (1) Any public, private or confessional entity with or without legal personality, including foundations, whose goal is not to make profit for distribution among its members and whose activity does not compete with the activities of for profit entities, shall fall under the non-profit organizations system. They include:

- **(a)** subject to conventions, international bodies and non-governmental organizations;
- **(b)** public establishments and regional and local authorities, as well as their public utilities boards;
- **(c)** companies or organizations recognized as being of public purpose;
- **(d)** public low-cost housing agencies;
- **(e)** all types of de jure or de facto associations, mutual societies, clubs and private clubs;
- **(f)** social welfare and social security organizations;
- **(g)** public and denominational educational and health establishments;
- **(h)** generally, any organization with or without legal personality and whose main goal is not to carry out commercial activities.

(2) Non-profit organizations shall be subject to the tax registration obligation referred to in Section M 1 of this Code.

<u>Section 93 decies</u>: (1) Subject to the provisions of paragraph (4) above, non-profit organizations as defined in section 93 h of this Code shall be exempted from:

- the business licence tax;
- company tax;
- land tax.

(2) Subject to the exemptions provided for in this Code, the organizations referred to in Section 93 h (1) of this Code shall remain liable to:

- Value Added Tax on goods and services acquired as part of their functioning;
- registration fees and stamp duties;
- income tax on investments in movable capital;
- deduction of taxes and levies for which they are statutorily liable.

(3) Non-profit organizations shall be liable to Value Added Tax where they carry out taxable transactions in accordance with the provisions of Sections 125 et seq. of this Code.

(4) Income tax shall be levied at a preferential rate of 15%, increased by 10% representing additional council tax, on the share of commercial activities of non-profit organizations.

A monthly instalment of 1% of the turnover of the commercial activities of non-profit organizations shall be paid to the tax centre under which they fall. The said instalment shall be increased by 10% representing additional council tax, and shall constitute the minimum collection amount.

(5) Non-profit organizations shall be bound by the obligation to file monthly tax returns, including those for which they are only statutorily liable.

(6) Before 15 March of each year, non-profit organizations shall file a statistical and fiscal return, a model of which is provided by the taxation services, together with a detailed statement of all sums paid to third parties during the past fiscal year.

(7) In all cases, non-profit organizations must keep separate accounts for their commercial activities.

<u>Section 93 undecies</u>. - (1) Non-professional taxpayers shall be persons who receive only income from salaries, wages, pensions, life annuities and/or income from movable capital and income from property, and in general any passive income.

(2) Subject to the exemptions provided for in this Code, persons covered by the non-professional taxpayer regime are shall be liaible to the payment of the following taxes for which they are actually or statutory taxpayers:

- in their capacity as actual taxpayer: personal income tax in the categories of salaries and wages and property income, registration duties, tax on landed property and tax on real estate wealth;

- in their capacity as statutory taxpayers: special income tax, salary deductions.

(3) Non-professional taxpayers shall be required to file an annual tax return in accordance with the provisions of section 74 a of this Code.

TRANSFER OR CESSATION OF ACTIVITY OR DEATH

<u>Section 94</u>.- All taxes due shall be immediately paid in the event of transfer or cessation of activity or death.

<u>Section 95</u>.- (1) Any cessation of activity, whether permanent or temporary, shall be preceded by the filing of a declaration with the tax authorities, submitted at least three months before the scheduled effective date. This declaration shall be filed electronically.

(2) Within 3 (three months) following the transfer or cessation of activity, the taxpayer shall file a closing return liquidating all taxable profits up to that date and indicating, where applicable, the effective date thereof and the full name, business name and address of the transferee.

(3) In the event of the death of the operator, the rightful claimants shall file the annual income return within 6 (six) months of the date of death.

<u>Section 95 a</u>: The filing of a return of cessation of activity shall give rise to an audit by the Tax Administration covering the taxpayer's entire tax situation.

<u>Section 96</u>.- Except for the specific time limits provided for in Section 95 above, all provisions relating to the taxpayer's obligations, assessment procedure and penalties shall apply in the event of discontinuance, transfer or death.

In any case the declaration of cessation must be accompanied by the payment of the corresponding duties.

<u>Section 97</u>.- In the event of death, the total amount of taxes levied pursuant to Section 94 above shall not exceed three quarters of the net assets of the estate prior to payment of transfer duty on death.

The taxes thus established and all other taxes owed by the heirs of the deceased shall be a charge on the assets of the estate. They shall not be deductible from the heirs for the purpose of assessing the personal income tax to which they are liable.

<u>Section 98</u>.- The continuation by the direct heirs or the spouse of a deceased taxpayer of the business formerly undertaken by him shall not be deemed to give rise to capital gain, provided that the new manager (s) maintain all the asset items shown in the last balance sheet drawn up the deceased.

The establishment of a partnership by the heirs or spouse of the deceases shall not bar the application of the above provision.

The same shall apply to the establishment of a limited liability company, provided that the articles of association shall specify the non-transferability of shares to third parties who do not belong to the estate.

<u>DIVISION II:</u>
DEPART URE FROM CAMEROON

<u>Section 99</u>.- No person may leave Cameroonian territory without first making a return on income earned up to the departure date.

Such return shall be made no later than 30 (thirty) days before the application for a passport or exit visa shall, in principle, entail immediate assessment.

The passport or exit visa shall be granted only on production of a certificate issued by the competent taxation Centre of the taxpayers place of residence.

Any passport or exit visa issued in breach of this provision shall entail the joint and several liability of the person concerned and of the taxpayer for the payment of the taxes whose collection is deferred or impaired, without prejudice to disciplinary action for dereliction for duty.

However, the exit visa referred to above shall not be required of wage earners of Cameroonian nationality travelling abroad on a temporary basis.

<u>DIVISION III:</u>
PLACE OF ASSESSMENT

<u>Section 100</u>.- Failing a return duly made by the taxpayer, any tax may be assessed at any place deemed appropriate by the authority.

In the event of any change in the place of residence or principal establishment, the assessments still outstanding under the company tax personal income tax, either for the year in which the change occurred or for the previous years not barred by limitation may be validly established at the new location.

DIVISION IV: OBLIGATIONS OF BUSINESS OWNERS

Section 101.- Before 15 March each year or one month before departure from Cameroon of this salaried workers, every business owner shall, using provided by the tax authority, make an individual return for each worker on the following sums paid during the past financial year:

a) emoluments and supplementary benefits of all kings paid to each member of their paid staff;
b) any in excess of 250,000 (two hundred and fifty thousand) francs paid to any other person as commission, brokerage, rebate, fees, charges, copyright or inventor's royalties or any other remuneration, whether casual or not;
c) the list of purchases per supplier showing their identification number and the amount of purchases for the financial year;
d) a list of sales by customer, indicating their single identification number and the amount of sales for the financial year.

Section 102.- Such returns shall specify:

- the full name, business name and address of the payer;
- the full name, business name, single identification number and address of the payee;
- the amount paid, broken down by nature as indicated on the forms provided by the tax authority;
- the period covered by the payments.

Section 103.- Any infringement of the provisions of Sections 101 and 102 above shall give rise to a fine of 5% of the amount not declared. Such fine shall be recoverable in the same way as the taxes specified in the chapter above.

Furthermore, after serving a notice to make returns in accordance with the provisions of the Manual of Tax Procedures, failure to make a return on the sums specified in Section 101 above shall entail forfeiture of the right to include them as expenses in the determination of the profit or loss of the enterprise.

Section 104.- All the provisions defined above concerning the company and the personal income tax are applicable on enterprises having their head offices abroad but on activities located in Cameroon.

Section 104 a.-(1) Personal income tax owed by partners of partnership companies and, generally, by partners of fiscally transparent corporate bodies, with the exception of partnership companies which have opted for company tax, shall be withheld at source and paid by the company that realized the said income pursuant to the personal income tax scale provided for in Section 69 of this code.

(2) For purposes of application of this provision, liability shall be determined according to the categories of income realized, as mentioned in sections 80 *et seq* of this code.

Section 104 b.- The managers of foreign trusts domiciled in Cameroon shall also provide all information on the identity of the persons linked to the said trusts as well as the shares of the said trusts within the deadline provided for in Section 101 above.

Section 104c: (1) Any company which, in addition to its main activity, carries out, on an ancillary basis, another activity that can be the subject of an independent operation such as transportation, by an industrial company, of its products for distribution shall be bound to keep separate accounts showing the result of each activity.

(2) For the ancillary activity, the company shall be required to pay, as appropriate, the taxes specific to the activity.

(3) Profits indirectly transferred from one activity to another through increase or decrease in purchase or selling prices shall be incorporated into the results of the main activity.

DIVISION V:
TAX INCENTIVES

A - MEASURES RELATING TO YOUTH EMPLOYMENT PROMOTION

Section 105.- (1) Firms subject to the actual earnings tax system which recruit Cameroonian graduates below 35 years for first-time jobs or pre-employed internship on open-term contract basis shall be exempted from taxes and contributions on the salary paid to such young people, excluding social security contributions.

(2) Firms subject to the actual earnings tax system or members of an Approved Management Centre shall be eligible for these benefits for any recruitment carried out under a first employment contract (permanent or fixed-term), a pre-employment internship **or a professional apprenticeship contract**.

(3) This measure shall apply for a period of 3 (three) years from the date of signature of the employment contract, admission to a pre-employment internship or the date of the professional apprenticeship contract.

(4) In addition to the exemptions provided above, firms shall benefit from a tax credit equal to 20% (twenty per cent) of the expenses actually incurred for the training, supervision and professional integration of Cameroonian graduates under the age of 35 (thirty-five) recruited for their first job, a pre-employment internship or a professional apprenticeship contract.

Section 105 a: (1) Natural persons domiciled for tax purposes in Cameroon shall benefit from a tax credit in respect of cash or in-kind donations made to approved structures responsible for the training, supervision or integration of young persons under the age of thirty-five (35).

(2) The tax credit referred to in (1) above shall be equal to 20% (twenty per cent) of the value of the donations, up to an annual limit of 25 000 000 (twenty-five million) CFA francs per taxpayer. It shall be deducted from the Personal Income Tax (PIT) due for the financial year, as part of the annual return provided for in Section 74 (a) of this Code.

Section 106 (new).- To benefit from the advantages provided for in Section 105 above, firms shall submit to the tax authority, as tax return, the list of the persons recruited, together with valid supporting documents.

DIVISION V
INCENTIVES

A- MEASURES RELATING TO YOUTH EMPLOYMENT PROMOTION

Section 107: (1) Allowances paid by companies that offer pre-employment internships to young graduates within the framework of a training and socio-professional integration assistance programme, in particular one implemented by the National Employment Fund, shall be exempted from tax deductions.

(2) The duration of the pre-employment internship shall not exceed two years.

B - STOCK EXCHANGE TAX SYSTEM

Section 108 (new): Companies whose ordinary shares are listed on the Central African Stock Exchange shall be entitled to the following company tax reduction rates:

(a) A reduced corporate tax rate of 25%;

(b) A reduced rate of 1.5% on down payment and minimum company tax collection.

Section 109.- Companies that issue stocks on the Central African Stock Exchange shall be entitled to a reduced company tax rate of 25%.

Section 109 a .- Companies known to be involved in public issues in accordance with the provisions of the OHADA Uniform Act relating to Commercial Companies and Economic Interest Groups, and which list all or part of their equity interest or debt obligations on the Central African Stock Exchange, shall be entitled to a reduced company tax rate of 25%, with effect from the date of listing on the stock market.

<u>Section 110</u>.- The striking off of shares of companies referred to under Section 108 and 109 above within 4 (four) years, with effect from the date of listing, shall entail forfeiture of company tax reduction and reimbursement of duties previously exonerated, plus penalties provided for by the tax legislation in force.

<u>Section 111</u>.- (**(1)** Notwithstanding the provisions of Section 70 of this code, the tax rate on dividends and interests on bonds with a maturity of less than 5 (five) years as well as other proceeds from the stocks of natural or legal persons listed on the Central African Stock Exchange shall be fixed at 10%.

This rate shall be fixed at 5% for proceeds from private or public company bonds with a maturity of 5 (five) or more years.

(2) The following shall be exempt from corporate income tax, tax on income from movable capital or any other similar tax or deduction.

a) interest on negotiable debt securities issued by CEMAC member states**;**

b) interest on bonds of regional and local authorities;

c) net capital gains realized by natural or legal persons on the Central African stock market.

d) Pursuant to this provision, capital gain shall be the surplus on the transfer price less the purchase value and management charges on the bonds transferred.

<u>Section 112</u>.- Agreements and acts concerning transfer of the securities quoted on the stock market shall be exempted from registration duties.

C. PUBLIC CONTRACTS TAX REGIME

I - TAX REGIME OF PUBLIC CONTRACTS FUNDED WITH OWN RESOURCES

<u>Section 113 (new)</u>.- **(1)** Public contracts shall be concluded inclusive of all taxes.

(2) They shall at the date of their conclusion be subject to the taxes, duties and levies provided for by the laws in force, notably the value added tax (VAT) and registration duties.

(3) Contracts fully funded with own resources of the State shall under no circumstances be exempted from taxes or duties exemption or payment of such duties and taxes by the State.

<u>Section 114 (new)</u>.- The project owner shall be bound to budget allocations for the payment of taxes and duties for which it is liable under public contracts, in accordance with the provisions of Article 113 above.

II - TAX REGIME OF PUBLIC CONTRACTS FUNDED WITH EXTERNAL OR JOINT RESOURCES

<u>Section 115 (new).-</u> **(1)** Public contracts with external or joint financing shall be evaluated and concluded inclusive of all taxes.

(2) Duties and taxes on contracts with external or joint financing shall be borne by the successful bidder, with the exception of value added tax (VAT), which shall be borne by the project owner.

(3) However, where the financing agreement for a public contract with external or joint financing does not provide for VAT to be paid, it shall be paid from the counterpart funds provided for in the project owner's budget.

(4) The successful bidder shall pay VAT on all intermediate goods and services necessary for the completion of the project.

(5) VAT paid by the successful bidder for contracts with external or joint financing shall be recoverable, either by deduction, offsetting or refund, in accordance with the procedures defined by a separate instrument issued by the Minister in charge of finance.

<u>Section 116 (new)</u>.- **(1)** The tax regime defined in section 115 new above shall apply to all financing agreements entered into as from 1 January 2025.

(2) Ongoing projects shall continue, where appropriate, to be subject to payment of the value added tax on the basis of the provisions in force at the time of conclusion of their financing agreement.

(3) The liability amount shall not exceed that of the official VAT rate applied to the contract amount.

Section 116 a (new).-*Repealed*
Section 116 b (new).- *Repealed*

III - TERMS AND CONDITIONS FOR COLLECTING PUBLIC EXPENDITURE TAXES AND DUTIES

1. Ordinary expenditure execution procedure

Section 116 b.-(1) Each authorizing officer of a public expenditure shall be obliged to make the budgetary commitment of the taxes and dues payable at the same time as the service itself, including start-up advances.

(2) The taxes and dues committed in accordance with the provisions of Section (1) above shall be collected through deduction at source by the public accountant during payment of invoices, including those of start-up advances, by the State, Territorial decentralized collectivities and public establishments.

(3) Special expenditure execution procedures

Section 116 c.- (1) The taxes and duties payable on expenditure executed in accordance with the procedures for cash imprest, cash advances, release of funds, works under government supervision, direct interventions, works executed through State mission agencies and special appropriation accounts shall be collected through deduction at source during the provision of funds.

In the particular case of provision of funds, orders for payment to the authorising officer shall be limited exclusively to the tax-free part. The amounts corresponding to taxes and duties shall be deducted at source by the public accountant.

(4) The taxes and duties payable in special expenditure execution procedures shall be paid on the basis of expenditure memoranda. They shall be regularized by the cashier or the managers of the funds after the effective execution of the expenditure. Such regularisation may give rise to the repayment of additional taxes and duties in the event of insufficient initial deduction tax by the public accountant.

(3) Taxes deducted at source as regularization shall be declared and remitted by the cashiers and managers of public funds to their relevant taxation centre not later than the 15th day of the month following deduction at source.

(4) Where no document is available to establish the nature of expenditure incurred under exceptional public expenditure execution procedures, the public accountant shall be required to make a flat-rate deduction of 5% (five per cent) of the gross amount paid, increased by additional council taxes at the rate of 10% (ten per cent).

Section 116 d.- Public bodies or enterprises making payments for the State shall also be bound to deduct taxes and duties at source.

2. Obligations of fund managers and pay clerks

Section 116 e.- (1) Each cashier or manager of funds shall be required to report to the taxation centre responsible for managing the tax records of public administrations and public bodies within 15 days from the date of their appointment.

(2) Cashiers and managers of funds shall be required to submit to their taxation centre, not later than the 15th day of the month following the end of each quarter, a detailed statement of the expenses paid from the funds received as well as taxes and duties deducted at source during the provision of the said funds, as well as any taxes and duties deducted and remitted by them as regularization.

(3) Cash funds held by cashiers and managers of funds as taxes and duties shall be compulsorily repaid into bank accounts in the name of the Tax Collector of the relevant taxation centre.

Control of taxes and duties on public expenditure

(4) The list of documents justifying the execution of any expenditure charged to the budget of the State, regional and local authorities and other public entities shall include, on pain of rejection, a certificate of tax deduction generated on the Tax Administration's platform. This certificate shall specify, by type of tax, the deductions made.

Section 116 f.- Taxation services shall control the repayment of taxes and duties payable during the execution of expenditure on the budget of the State, regional and local authorities and administrative public establishments.

4. Tax regime for public procurement executed by a consortium.

Section 116 g.- In the specific case of public procurement by a consortium, the applicable tax regime shall vary depending on whether it is a joint-liability or a joint-and-several liability consortium.

Where the consortium is jointly and severally liable, the tax regime applicable to the contract shall be that of the consortium's lead company.

For a joint-liability consortium, each member shall be liable to tax payment according to the tax regime that corresponds to its status.

Section 117.- The tax provisions contained in the mining, gas and petroleum codes as well as the tax provisions relating to public private partnership contracts shall be assimilated into the provisions of the General Tax Code.

D. MEASURES RELATING TO TAX SUPPORT TO SMALL- AND MEDIUM-SIZED ENTERPRISES

I. PROMOTION OF APPROVED MANAGEMENT CENTERS

Section 118.- (1) Approved Management Centres (AMCs) shall provide management assistance and guide members in the accomplishment of their tax obligations.

(2) Natural persons or legal entities who realize an annual turnover, net of taxes, less than or equal to 100 (one hundred) million CFA francs may be members of the Approved Management Centers.

(3) AMC membership fees shall be freely fixed by promoters within a bracket ranging from CFAF 25 000 to CFA FRANCS 50 000 per year.

(4) Annual contributions shall be freely fixed by promoters within a bracket ranging from:

- 50 000 to 150 000 CFA francs per year for taxpayers subject to the comprehensive tax system;
- 50 000 to 250 000 CFA francs per year for taxpayers subject to the actual earnings tax system.

(5) Each approved management centre shall employ at least 1 (one) tax adviser and 1 (one) chartered accountant registered with the competent association, at a ratio of 1 (one) professional for every 2 000 (two thousand) members.

Non-compliance with this requirement may lead to the suspension or withdrawal of approval where the promoter fails to regularize the situation after formal notice.

Section 119.- (1) Members of approved management centres shall benefit from the following measures:

- a 50% reduction of the tax profit declared, provided that the tax due is not less than the minimum collection provided for in this Code. For taxpayers subject to the comprehensive tax regime, this reduction shall apply to the annual comprehensive tax;
- a 50% abatement on the basis of withholding tax calculation on the purchases of distributors, where such purchases are made from wholesaler producers or distributors whose list shall be established by order of the Minister in charge of finance. The withholding tax paid in this case shall be the minimum collection provided for in this code. However, for taxpayers subject to the comprehensive tax regime, it shall be deductible from the comprehensive tax due for the quarter following that in which the tax was withheld;
- application of penalties in good faith for tax audits covering the period after joining the AMC.

(2) A member shall forfeit the right to the benefits provided for in Subsection (1) above where his profit or income tax return is not filed on schedule.

(3) Promoters of approved management centres with at least 100 (one hundred) active members shall benefit from the following advantages:

- a 50% reduction in corporate tax or personal income tax for the share of their income derived from the activities of AMCs, provided the tax due is not less than the minimum collection provided for in this Code. For promoters under the comprehensive tax system, this allowance shall apply to the amount of the annual comprehensive tax; exemption from tax and employer contributions on salaries paid to employees of AMCs.

II. INTEGRATED TAX PARTNERSHIP

Section 119a: **(1)** The tax administration may established partnerships with groups of taxpayers to foster tax compliance and support such groups in fulfilling their tax obligations.

(2) Partnerships established pursuant to Section 119a (1) shall give rise to reciprocal obligations between the parties.

(3) The obligations of groups of taxpayers shall include commitments to broaden the tax base, fulfilment of declaration and payment obligations, and improved declaration quality.

(4) The obligations of the tax administration shall include tax control expenditure, grant of penalty remissions and preferential payment deferments.

(5) The conditions for implementing the Integrated Tax Partnership mechanism shall be laid in a separate instrument.

E. INCENTIVES FOR EDUCATION, VOCATIONAL TRAINING AND HEALTH

Section 120.- Without prejudice to the provisions of Section 4 (10) , 93i and 128 (5) of this Code, lay or faith-based private educational, training and health establishments duly approved by the competent authority shall be subject to the following tax system:

- *as individual taxpayers:*
  - business license tax waiver;
  - waiver from payment of property tax on buildings used for their activities, where such buildings fully belongs to them;
  - exemption from company tax and industrial and commercial profit tax, where their activities are not profit-making.
- *as corporate taxpayers:*
  - deleted;
  - obligation to deduct at source and pay the personal income tax of their employees based on the salary deduction scale;
  - obligation to deduct at source and pay the property income tax where they are tenants of the property used for their different activities.

F. INCENTIVES FOR THE REHABILITATION OF DISASTER AREAS

1- Measures to promote new investments in an economic disaster area

Section 121.- **(1)** With the exception of simple trading activities, companies that carry out new investments in an economic disaster area shall be exempted from the following taxes and dutie:

- *during the installation phase which may not exceed three years:*
  - business license tax waiver;
  - exemption from VAT on equipment, materials and services related to project implementation, when imported;
  - exemption from VAT on interest on loans intended to finance investments in an economic disaster area;
  - exemption from registration fees on real estate transfers relating to the implementation of the project;
  - exemption from property tax on buildings allocated to the project.

However, the Minister in charge of finance may, at the request of the company and upon presentation of substantiated evidence, grant an extension of the installation phase. This extension may not exceed 2 (two) years.

- *during the first 7 years of operation:*
  - exemption from business license tax;

- exemption from VAT on purchase of imputs for production;
- exemption from company tax and minimum collection;
- waiver from taxes and contributions on salaries paid to staff.

(2) To be granted the tax benefits referred to in section 121 (1) above, the investments must meet the following alternative criteria:

- lead to the creation of at least ten (10) direct jobs;
- use the raw material produced in the said zone, where necessary.

(3) Where new investments are carried out by an old company, the exemptions provided for in Section 121 (1) above shall apply only to operations and profits related to such new investments. In such a case, the company shall be bound to keep separate accounts.

(4) Enjoyment of this system shall be subject to prior approval of the planned new investments by taxation authorities.

(5) Based on the actual implementation of the investment plan, the taxation authorities shall compulsorily issue a discharge at the end of each financial year for the renewal of the above tax incentives.

(6) In case of non-compliance with the approved investment programme, the company shall lose the tax incentives granted and be required to settle unpaid taxes and duties without prejudice to late penalties and interests.

(7) Disaster areas shall be specified by regulation.

2- Measures to support the revival of the production tool of enterprises in an economic disaster area.

Section 121 a.- (1) Companies that carry out investments aimed at reconstituting their production tool in an economic disaster area shall benefit from a tax credit of 30% of incurred expenses. It shall be capped at CFA 100 000 000(one hundred million) francs and chargeable up to three financial years following the one under which the expenses were incurred.

(2) Expenditures that give the right to benefit from the tax credit shall be those which directly contribute to the rehabilitation or strengthening of the production tool.

(3) Expenditures that led to the establishment of a tax credit shall first be submitted for validation by the tax administration

Section 121 b.- Existing enterprises whose registered office and activities are located in an economically affected area as at 31 December 2018 shall benefit from a 75% discount on their tax arrears as at 31 December 2018, with the possibility of spreading the payment of the balance over a period of 24 months without carrying it forward.

G- MEASURES RELATIING TO THE PROMOTION OF THE IMPORT-SUBSTITUTION POLICY

1. PROMOTION OF THE AGRICULTURAL SECTOR

Section 122: Companies involved in agriculture, stock breeding and fisheries shall benefit from the following tax incentives:

a. At the investment phase:

- waiver from taxes and contributions on wages paid to seasonal agricultural workers;
- exemption from VAT on the purchase of pesticides, fertilizers and inputs used by farmers, as well as for agriculture stock breeding and fisheries equipment and materials listed in the Annex attached to this part;
- exemption from registration fees on transfers of land used for agriculture, stock breeding and pisciculture;
- exemption from registration fees for loan agreements to finance agriculture, stock breeding and fishing;
- exemption from land tax for property belonging to agriculture, stock breeding and fishing companies and used for these activities, excluding office building.

bAt the operation phase:

(1) Individual farmers, including where they are established in the form of cooperatives or common interest groups (CIGs), and whose activity is agricultural production, stock breeding and fisheries, shall enjoy the following benefits:

i. During the first 5 (five) years of operation:
   - exemption from business tax;
   - exemption from tax instalment and from minimum collection of income tax;
   - exemption from income tax.

ii. After the fifth (5^{th}) year:
   - exemption from business tax;
   - payment of a flat income tax levy at the rate of 0.5% of turnover, increased by 10% as levy for additional council tax.

(2) Companies operating in the agricultural, livestock and fisheries sectors that do not fall under the category referred to in paragraph 1 above may be granted the tax benefits provided for in the law of 18 April 2013 establishing private investment incentives, subject to the conditions as to content and form provided for by the said law.

H- deleted.

2- PROMOTION OF LOCAL PROCESSING

a. Local construction materials

Section 123: Public establishments promoting local building materials shall be granted the following tax benefits:

- exemption from VAT on purchases of equipment and materials used to manufacture local building materials as well as on the sale of products manufactured from such materials;
- liability to a reduced company tax rate of 20%;
- application of a 50% abatement; based on monthly deposit of company tax.

b. Local beverages

Section 124: (1) New beverages duly approved, produced and packaged exclusively using local material, save where an ingredient is absolutely unavailable on the local market duly established by the relevant authorities, shall be subject only to ad valorem excise duty, excluding the specific excise duty referred to in Section 142 (8) 1.

In any case, the percentage of raw material derived from local agriculture shall not be less than 40% of the components used, and the material used for packaging shall necessarily be recycled in Cameroon if it is non-returnable.

(2) New beverages shall be those placed on the markets as from the 1st of January 2017.

(3) In the event of unavailability or insufficient availability of local raw material established under the conditions referred to in paragraph 1 above, with respect to duly approved products, the Minister in charge of finance may grant occasional and time-limited waivers within the required 40% threshold.

(4) Local beverages that meet the conditions referred to in Section 124 (1) and (2) above shall benefit from a 30% abatement of the tax base for ad valorem excise duty during the first three years of operation.

(5) The tree-year period referred to in paragraph 4 above shall run from the date of promulgation of this law for already approved new beverages.

C- Other local products

Section 124 A: (1) Companies in the following sectors that undertake raw material processing within the national territory shall benefit from a 50% abatement as monthly instalment, income tax and minimum collection:

- agricultural sector;
- livestock sector;
- fisheries sector;
- leather products sector;
- woodworking sector.

The abatement provided for in Section 124 A shall be valid for a five-year period from 1 January 2023.

(2) Benefit from the regime provided for in paragraph 1 above shall be contingent on the validation by the tax administration of belonging in these sectors of activity.

I. INNOVATION INCENTIVES

Section 124 (a).- Companies falling under the actual earnings tax system may benefit from tax credit for the research and innovation expenses they incur.

The following shall be research and innovation expenses eligible for tax credits:
- provisions for depreciation of fixed assets acquired in a new state and allocated to scientific and technical research operations;
- personnel expenditure related to researchers and research technicians directly and exclusively assigned to such operations;
- gifts and acts of liability to independent researchers;
- expenditure related to the acquisition of the right to use inventions by Cameroonian researchers;
- expenditures incurred in relation to research and innovation activities carried out by public and private research organizations, higher education institutions, or independent researchers approved by the ministry in charge of research.
- The tax credit shall be 15% of the research and innovation expenditure above. It shall be capped at CFAF 50 (fifty) million and payable within three financial years following that in which the expenditure was committed.

J. INCENTIVES FOR DIGITAL ECONOMY PROMOTION

Section 124b: (1) Innovative start-ups in the field of information and communication technologies, grouped within management structures set up as approved management centres, shall enjoy the following tax advantages:

a) During the incubation phase, which must not exceed 5 years: exemption from all taxes, duties, levies and payments with the exception of social security contributions;

b) At the end of the incubation phase:

i. In the event of the sale of the "start-up": application of a reduced rate of 10% on the capital gain on the sale;

ii. In the event of entry into the operation phase, the company shall, for a period of five (5) years, benefit from:
- exemption from the business licence tax;
- exemption from registration fees on the incorporation, extension or capital increase instruments;
- exemption from all tax and employer's charges on salaries paid to their employees with the exception of social security contributions;
- application of a reduced company tax rate of 15%;
- application of a 50% rebate on the basis of the assessment of the advance payment and the minimum company tax collection;
- income tax credit of 30% of research and innovation expenses capped at one hundred (100) million CFA francs.
- application of a reduced rate of income tax on movable capital revenue of 5%, on dividends paid to shareholders and interest paid to investors.

iii. Beyond the fifth year of operation: application of the ordinary law tax system.

(2) Eligibility for the benefits of the start-up promotion scheme is subject to the approval issued by the Approved Management Centres dedicated to start-ups.

(3) The specific obligations of the Approved Management Centres dedicated to start-ups shall be specified by an instrument issued by the Minister in charge of finance.

K. MEASURES TO SUPPORT PEOPLE WITH DISABILITIES

1. Tax relief

Section 124 c: People with disabilities with a permanent impairment of at least 50 (fifty per cent), duly certified by the Ministry in charge of social affairs and holding a valid disability card, shall enjoy the following benefits:
- a 50% (fifty per cent) reduction in the comprehensive tax rate and the licence fee for those covered by the comprehensive tax system;
- exemption from wage and employer contributions on salaries, except social security contributions.

Section 124 d: (1) Equipment, materials and appliances exclusively intended for the use of people with disabilities shall be exempt from value added tax.

(2) The list of equipment and materials referred to in this Section shall be fixed by joint order of the Minister in charge of finance and the Minister in charge of social affairs.

2 - Financing of the supervision of persons with disabilities

Section 124 e: (1) A special tax on technical inspections of motor vehicles is hereby introduced, based on the technical inspection services provided to vehicles.

(2) The rate of the special tax referred to in **(1)** above shall be fixed at 3 000 (three thousand) CFA francs per vehicle per inspection.

(3) This tax shall be collected by approved roadworthiness inspection centres at each inspection. It shall be indicated on the invoice issued by the centre.

(4) The following shall be exempt from the tax provided for in this Section:

- vehicles specially adapted for, or used by, people with disabilities;
- vehicles used for the public transportation of people and goods.

(5) The procedures for identifying vehicles eligible for this exemption shall be laid down by joint order of the Minister in charge of transport and the Minister in charge of social affairs.

(6) The special tax on technical inspections collected by approved roadworthiness inspection centres shall be paid into the account of the tax collector of the taxation centre with jurisdiction no later than the 15th (fifteenth day) of the month following that during which the inspections were carried out.

Section 124 f: Revenue from the special tax on the technical inspection of motor vehicles shall be distributed as follows:

- 30% (thirty per cent) to the comprehensive State budget;
- 70% (seventy per cent) to finance actions for the prevention, treatment and reintegration of persons with disabilities, in accordance with the terms and conditions laid down by law.

Section 124 g: The declaration, audit, collection and litigation procedures applicable to the special tax on technical motor vehicle inspections shall be those set out in the Manual of Tax Procedures for similar taxes.

Section 124 h: (1) Natural persons domiciled for tax purposes in Cameroon shall benefit from a tax credit in respect of donations in cash or in kind made to approved bodies whose mission is the supervision, care or reintegration of people with disabilities or other sick persons.

(2) The tax credit shall be equal to 20% (twenty per cent) of the value of the donations, up to an annual ceiling of 25 000 000 (twenty-five million) CFA francs per taxpayer.

(3) The tax credit shall be deducted from the personal income tax (PIT) payable by the taxpayer for the fiscal year, as part of the annual declaration provided for in Section 74 (a) of this Code.

L. MEASURES TO SUPPORT THE FINANCING OF SMALL- AND MEDIUM-SIZE ENTERPRISES

Section 124 i: **(1)** Natural persons domiciled for tax purposes in Cameroon shall benefit from a reduction in personal income tax (PIT) on sums paid in cash for subscribing to the initial capital or a capital increase of a firm with an annual turnover before tax of less than or equal to 3 000 000 000 (three billion) CFA francs.

(2) The tax reduction shall be granted where the following cumulative conditions are met:

(a) the firm benefiting from the subscription has its registered office or place of effective management in Cameroon, is not admitted to listing on a financial market and carries out a rea activity;

(b) The taxpayer shall keep the subscribed securities for a minimum period of 5 (five) years from the date of acquisition, failing which the granted benefit shall be reversed;

(c) the contributions shall be fully paid up at the time of subscription.

(3) The amount of the reduction shall be equal to 30% (thirty per cent) of the sums actually paid by the taxpayer, up to an annual ceiling of 10 000 000 (ten million) CFA francs per taxpayer.

(4) The tax reduction shall be deducted exclusively from the personal income tax (PIT) payable by the taxpayer for the financial year, in the context of the annual declaration provided for in Section 74 (a) of this Code.

(5) In the event of a transfer, repayment or any act resulting in the loss of ownership of the securities before the expiry of the retention period provided for in (2) b), the tax reduction obtained shall be subject to a reversal in respect of the financial year of the termination, except in the event of the taxpayer's death or disability which is duly justified.

ANNEX: LIST OF AGRICULTURAL, STOCK BREEDING AND FISHERIES EQUIPMENT EXEMPTED FROM VAT

I. SEEDS

Tariff Heading	Product Identification
1) Plant Seeds	
120911 00 000 to 120999 00 000	Seeds
070110 00 000	Potatoseeds
060210 00 000	Unrootedcuttings and grafts
060220 00 000	Grafted or engrafted edible fruit-bearing trees, shrubs and bushes
060230 00 000	Grafted or engrafted rhododendrons and azaleas
060240 00 000	Grafted or engrafted rose bushes
060290 00 000	Other live plants (including their roots) other cuttings, mushrooms spawn
070110 00 000	Fresh or chilled seed potatoes
071331 00 100	Dry beans seed of the species Vignamungo (L.) Hepper or vignaradiata (L.)…..
080270 10 000	Seed Kola nut (cola spp.)
090111 11 000	Arabica coffee seed
090111 21000	Robusta coffee seed
090111 31 000	Excelsa coffee seed
090111 41 000	Liberia coffee seed
090111 51 000	Indénié coffee seed
100111 00 000	Hard wheat seed
100191 00 000	Meslin seed
100210 00 000	Rye seed
100310 00 000	Barley seed
100410 00 000	Oat seed
100510 00 000	Corn seed
100610 10 000	Seed rice in husk (paddy rice)
100710 00 000	Grain sorghum seed
100810 10 000	Buckwheatseed
100821 00 000	Semence de Mille Milletseed
100830 10 000	Canary grassseed
120100 10 000	Soya beanseed
120230 00 000	Groundnutseeed
120721 00 000	Cotton seed
120910 00 000	Sugar beet seed for sowing
120921 00 000	Alfalfaseed for sowing
120922 00 000	Clover seeds (Trifolium spp.) for sowing

120929 00 000	Other fodder seeds used mainly for flowers
120930 00 000	Herbaceous seeds used mainly for flowers
120991 00 000	Vegetableseeds for sowing
120999 00 000	Other seeds, fruits and spores, for sowing
120923 00 000	Fescueseed for sowing
120924 00 000	Kentucky bluegrass (Poapratensis L.) seeds for sowing
120925 00 000	Ryegrass (Loliummultiflorum Lam., Loliumperenne L.) seeds for sowing
120710 10 000	Nuts and kernels for sowing
120720 10 000	Cotton seed
Animal seeds	
010121 00 000	Live pure-bred breeding horses
010130 10 000	Live pure-bred breeding donkeys
010221 00 000	Live domestic pure-bred breeding cattle
010310 00 000	Live pure-bred breeding animals of the porcine species
010231 00 000	Live pure-bred breeding buffalos
010290 10 000	Other live pure-bred breeding animals of the bovine species
010310 00 000	Live pure-bred breeding animals of the porcine species
010511 00 000	Live roosters and hens of domestic species, not weighing more than 185 g
010599 00 000	Live domestic ducks/geese/turkeys/guinea fowls, weighing>185 g
03019900.000	Mature broodstock, larvae and fry of Tilapia
03019900.000	Mature broodstock, larvae and fry of Clarias
03019300.000	Mature broodstock, larvae and fry of Carp
03011900.000	Broodstock of other exotic or endogenous fish species for breeding
03019900.000	Broodstock larvae and fry

II. FERTILIZERS

284290 10 000	Lead arsenate for agriculture and horticulture in drums and containers of 1 kg plus
310100 10 000 to 3105590 00 000	Fertilizer

III. PESTICIDES

271012 60 000	Agricultural or planting oil, used as a fungicide
280200 11 000	Sublimed sulphur for agricultural use
3808	Herbicides, insecticides, nematicides and fungicides for agricultural use

IV. SOIL PREPARATION AND CULTIVATION MATERIALS AND EQUIPMENT

Tariff heading	Equipment Identification
270300 00 000	Peat (including peat litter) (growing media)
843210 00 000	Ploughs
843221 00 000	Diskharrows (sprayer)

843229 00 000	Scarifiers, cultivators, grubbers, hoes, weeders, tillers and other harrows
843230 00 000	Seeders, planters and prickers
843280 00 000	Other agricultural, horticultural or forestry equipment and machinery, for tillage or cropping
843290 00 000	Parts of agricultural, hyorticultural or forestry equipment and machinery
843359 00 000	Other machinery or equipment for the harvest of agricultural products, including straw or fodder presses
870110 00 000	Rototillers
870190 11 000	Wheeled tractors (except 87.09 tractors), with cpmbustion engines or internal combustion
871620 00 000	Wagons, trailer or semi-trailer wagons for agricultural purposes

V. FARM TOOLS AND EQUIPMENT

820110 00 000 to 820190 00 000	Small farm equipment
842481 10 000	Motor appliances for projecting, dispersing or spraying liquids or powders used for agricultural or horticultural purposes
842481 90 000	Mechanical appliances for projecting, dispersing or spraying liquids or powders used for agricultural or horticultural purposes
842489 10 000	Other motor appliances for projecting, dispersing or spraying liquids or powders used for agricultural or horticultural purposes
842489 90 000	Other mechanical appliances for projecting, dispersing or spraying liquids or powders used for agricultural or horticultural purposes
842490 00 000	Parts of heading n° 8424 equipment or devices
843240 00 000	Manure spreaders and fertilizer distributors
940600 00 000	Prefabricated buildings (Screen shades and shade structures only)
84335900.000	Castrator
84.36 to 84.38	Gyro-mill
84.36 to 84.38	Crusher-mixer
84.36 to 84.38	Shell-Crushing Machine
84193100.000	Grain Dryer
8433	Sheller Machine

VI. PROCESSING MATERIALS AND EQUIPMENT

843320 00 000	Harvesting and threshing equipment (including elbow mower bars for tractor mounting)
843359 00 000	Other machinery for harvesting agricultural products, including straw or fodder presses
843680 00 000	Other machinery for agriculture, horticulture, forestry or beekeeping, including germination plant fitted with mechanical or thermal equipment
843699 00 000	Parts of machinery for agriculture, horticulture, forestry or beekeeping
843710 10 000	Machines for sorting grain

843710 90 000	Machines for cleaning, sorting or grading pulses
84335900.000	Castrator
84.36 to 84.38	Gyro-mill
84.36 to 84.38	Crusher-mixer
84.36 to 84.38	Shell-Crushing Machine
84193100.000	Grain Dryer
8433	Sheller Machine

VII. MATERIALS AND EQUIPMENT FOR IRRIGATION

842481 10 000	Motor appliances for projecting, dispersing or spraying liquids or powders for agricultural or horticulture (Irrigation networks)
842490 00 000	Parts of irrigation network
841381 00 000	Liquidpumps (pumps)
841391 00 000	Parts of liquidpumps

VIII. PACKAGING AND BRACING MATERIALS

390110 00 000	Polyethylene having a density less than 0.94, in primary forms
390210 00 000	Polypropylene, in primaryforms
392010 00 000	Other plates, ... non-cellular and not reinforced,..., ethylene polymers (Ribbons and plastic sheath)
392020 00 000	Other plates, sheets, non-celluler and not reinforced…., propylene polymers (straps)
392021 00 000	Bags, satchels and cones, ethylene polymers
392329 00 000	Bags, satchels and cones, other plastic materials
392330 90 000	Other carboys, bottles, flasks and similar plastic articles
392350 00 000	Stoppers, lids, caps and other closures, of plastic materials
481910 00 000	Cans and boxes, of corrugated paper or paperboard
482110 90 000	Labels of all kinds, on other media, paper or cardboard, printed
540110 00 000	Sewing thread of synthetic filaments, whether or not put up for retail sale
560749 90 000	Other twine, cordage, rope polyethylene/polypropylene, plaited not …. Rubber/Plastic
650533 00 000	Bags and packaging bags, textile synth/art blade/similar polyethylene/ Polypropylene
630539 00 000	Other sacks and bags, of synthetic or artificial materials
732690 90 000	Other iron or steel items (strap clips)
843139 00 000	Parts suitable for other machines/equipment of heading 84.28 (staying accessories)

IX. SMALL AGRICULTURAL AND LIVESTOCK MATERIALS AND EQUIPMENT

392310 00 000	Boxes, cases, crates and similar articles of plastics
481920 00 000 to 481960 00 000	Boxes, cartons and bags for packing and packaging of eggs and chickens
842790 00 000	Fork-lift trucks
843120 00 000	Parts of machines and apparatus of 8427
843360 00 000	Parts recognized as designed for fork-lift trucks
843360 00 000	Machines for cleaning/sorting eggs/fruits/other agricultural products, except machinery and equipment of heading n°84.37
843390 00 000	Parts of machinery, appliances and equipment under heading 84.33
843410 00 000	Milking machines
843420 00 000	Diarymachinery and equipment
843490 00 000	Parts of milking machines and diary machinery
843610 00 000	Machinery for preparing food or provender for animals
843621 00 000	Incubators and brooders
843629 00 000	Other machinery for poultry farming
843680 00 000	Other machinery for agriculture, horticulture, forestry, beekeeping, mechanical thermal hotbeds (laying battery)
843691 00 000	Parts of poultry machinery or appliances, incubators and brooders
843699 00 000	Parts of machinery for agriculture, horticulture, forestry or beekeeping
843850 00 000	Machinery for working on meat
901890 00 000	Other instruments and devices for medicine, surgery, dentistry, veterinary medicine, medical electronic devices (Veterinary laboratory materials and reagents)
84193100.000	Mobile grain dryer
87168010.000	Towing carts
84361000.000	Fish feed production machine/Feed production machine
84798900.000	Appliances or equipment for automatic fish feed distribution
84193100.000	Fish processing equipment (Smokers and dryers)
84163000.000	Small smoking equipment
84213900.000	Ultraviolet and biological filter
84191600.000	Aerator
84368000.000	Electric chopper
38089110.100/38089190.100	Insect Destroyer
90183900.000	Hatchery vaccination machine

X. SMALL FISHING TACKLES

291511 00 000	Formicacid
293790 00 000	Other hormones…, their derivatives…, including chain modified polypeptides (Pituitary hormone carp)
540211 10 000	Aramid fishing lines, with high tenacity nylon/other polyamides, not put up for retail sale (Fishing lines)
540219 10 000	Other fishing lines, with high tenacity nylon or other polyamides, nprs
540220 10 000	Fishing lines of high tenacity polyester, nprs
540245 10 000	Simple fishing lines of other nylon/polyamides, untwisted or with a twist of<= 50 tr/m, nprs
540246 10 000	Simple fishing lines, polyesters, partially oriented twist<= 50 tr/m, nprs
540249 00 000	Other simple fishing lines untwisted/ with a twist of<= 50 turns per metre, nprs
540419 10 000	Fishing lines >= 67 decitex, cross-sectional dimension of<= 1 mm
560750 10 000	Cordage, ropes and cables of other synthetic fibres, plaited or not, rubber, plastic, for fishing
560811 00 000	Fishing nets, of synthetic or artificial textile
560790 10 000	Other twine, cordage, ropes, plaited or not, even treated, coated in rubber, plastic, or fishing
78 04 11 00 00	Lead sheet
950710 00 000	Fishingrod
950720 00 000	Hooks, evensnelled
950740 00 000	Fishingreels
950790 00 000	Other items for fishing ; decoys (except No.92.08/97.05) and similar hunting (Dip nets)
8902. 00 00 000	Fishing boats. factory ships and other vessels for processing or canning fishery products
8407. 21 00 000 ; 8408. 10 10 000	Speedboats propeller engines

XI. HATCHERY EQUIPMENT

90278000.000	Water testing equipment or kit
84131900.000	Equipment or apparatus for pumping and aerating water intended for fish farming
84362100.000	Equipment or apparatus for the incubation of fish eggs
84362100.000	Fish egg incubator
84362100.000	Artemia Incubator
95079000.000	Landing nets
84362100.000	Hatcher
84368000.000	Automatic troughs and feeders

38089410.000/ 38089490.000	Products for disinfection of aquaculture environments
702000.000/39269000.00	Fibreglass or plastic hatching, rearing and breeding tanks for fish
38220000.000	Products and other laboratory and hatchery reagents
38119000.000	Anti-agglomerating egg treatment
84362100.000	Incubation substrate
90291000.000	Counting and sorting equipment for fish eggs
84336000.000	Fish Sorter
90178000.000	Ichtyometer
84362100.000	Fish hatchery furniture
90192000.000	Oxygenator and oxygen concentrator
90192000.000	Ozone Generator, Doser and Destroyer
84212100.000	Biological filtration systems and substrates
84186100.000	Heat pump
85162900.000	In-pipe heating
90291000.000	Fry counters
84212100.000	Water treatment plant
84212100.000	Water recycling system
84192000.000	UV sterilisation systems
84212100.000	Mechanical filtration systems
84336000.000	Egg transfer table with engine
84388000.000	Chain feeding system
84388000.000	Food manufacturing chain
84362100.000	Incubators
150420 00 000	Fish oil
293621 to 293690	Premix for fish

PART II:
VALUE ADDED TAX AND EXCISE DUTY

CHAPTER I:
SCOPE OF APPLICATION
DIVISION I:
PERSONS LIABLE

Section 125.- (1) VAT shall be levied on natural persons or corporate bodies, including regional and local authorities and bodies governed by public law, which automatically, habitually or occasionally carry out taxable transactions falling within the scope of application of the said tax as defined below.

(2) The persons referred to in (1) above shall be liable to VAT regardless of their legal status, their situation in relation to other taxes and the nature or form of their activities.

(3) *Deleted*

DIVISION II:
TAXABLE TRANSACTIONS

Section 126.- (1) Only transactions carried out within the context of an economic activity against payment shall be liable to VAT.

(2) Economic activities shall mean all activities relating to production, importation, provision of services and distribution, including mining activities, agriculture, agro-industry, forestry, handicraft as well as activities of liberal or related professions.

Section 127.- The following transactions shall be taxable:

1) supply of goods and supplies to oneself:

a) supply of goods shall mean the transfer of power to dispose of tangible property as owner, even if such transfer is effected at the behest of a public authority; exchanges, assets brought into business, hire purchase sales shall all be deemed to be supply of goods;

b) supply of goods to oneself shall mean transactions carried out by taxpayers either for the benefit of their enterprise or for other professional needs. However, such transactions shall exclude supplies made for the normal needs of the manager of a private enterprise for himself and supplies made to himself by any individual for his own needs or to itself by any group for the personal needs of its members, where such supplies are done in the premises constituting the main place of residence.

2) Provisions of services to third parties and services rendered to oneself:

a) services provided to third parties shall mean all activities related to industry rental contracts or work contracts by which a person undertakes to perform a given job in return for payment and, generally, all transactions other than supplies of tangible property;

b) services rendered to oneself shall mean services performed by taxpayers to satisfy either the needs of their enterprise or other needs related to their normal professional activities;

3) transactions related to the importation of goods;

4) real estate activities;

5) all types of real estate transactions carried out by real estate developers. The following persons shall be considered real estate professionals:

- institutional developers;
- persons approved for the profession of real estate developer under the conditions laid down by the law in force, as well as those who carry out the same activities as said professionals on a regular basis and with a view to profiting from it, even without formal approval.
- people who usually engage in transactions as intermediaries for the purchase or sale of real estate or business assets, share or share in real estate companies;
- people who usually purchase, on their behalf, real estate or business assets, shares or shares in real estate companies for resale;
- people who usually parcel and sell, after carrying out development work, land acquired in return for payment;

- persons who usually engage in the leasing of commercial or industrial establishments provided with furniture and equipment necessary for their operation, whether the lease includes or not all or part of the intangible assets of the business or industry;
- persons who let or sublet furnished buildings for residential purposes which they own or manage.
- public entities responsible for the management of port, airport and rail rights-of-way, for the leasing of port, airport and rail rights-of-way.

6) sales of second-hand articles and materials by professionals;

7) transfers of assets not included in the list of exempted goods referred to in Article 241 of the
Customs Code;

8) transactions carried out by enterprises approved under the Free Zone regime;

9) sales of petroleum products imported or produced in Cameroon;

10) games of chance and games of entertainment;

11) leasing transactions with or without option to purchases;

12) commercial subsidies, whatever their nature, received by the taxpayer by virtue of their taxable business;

13) loan forgiveness and commercial debt write-offs;

14) the commissions received by travel agencies for the sale of domestic flight tickets;

15) sales of goods and services in Cameroon or through foreign or local e-commerce platforms;

16) commissions received by e-commerce platform operators for carrying out the transactions referred to in Subsection 15 above.

DIVISION III: EXEMPTIONS

Section 128.- The following shall be exempted from VAT:

1) The following transactions, provided that they are subject to registration fees:

a) real estate transactions of all kinds carried out by non-professionals;

b) transfer of real estate rights in rem and transfer of business assets subject to the transfer duty or an equivalent tax;

c) *Deleted*

d) *Deleted*

e) *Deleted*

2) International traffic transactions concerning:

a) Supplies of goods intended for provisioning;

- ships used for industrial or commercial activity or for international traffic;
- aircraft used for international air navigation;

b) maintenance of ships, boats, or aircraft: aircraft and ships for maintenance and refueling operations.

c) interstate transit operations and services related thereto, in accordance with the provisions of Article 158 *et seq*. of the CEMAC Customs Code.

3) the importation or sale by the State of fiscal stamps, postage stamps and stamped papers;

4) sums paid by the Treasury to the Central Bank which has the currency-issuing privilege, and also the proceeds from the transactions of this bank in connection with the issue of notes;

5) tuition and boarding fees collected within the normal framework of the activities of schools and university institutions duly authorized by the Minister in charge of national education or the Minister in charge of higher education, as the case may be;

6) a- essential goods listed under Annex 1, notably:

- pesticides, fertilisers and inputs, as well as agricultural, livestock and fishery inputs used by producers;
- small fishing gear, seeds, agricultural machinery and tools as well as spare parts for plants manufacturing the said machinery and tools.

- Pharmaceutical products, the inputs thereof as well as the materials and equipment used in the pharmaceutical industry;
- local products sold directly by farmers, livestock breeders and fishermen.

b- The exemption provided for in paragraph 6 (a) above does not apply to the following products:

- parboiled rice of tariff subheading 1006.30.90.200;
- perfumed rice of tariff subheading 1006.30.90.300;
- ornamental fish of tariff subheadings 0301.11.00.000, 0301.19.00.000;
- chilled trout of tariff subheading 0302.11.00.000;
- fresh or chilled salmon of tariff subheadings 0302.13.00.000, 0302 .14.00.000, 0302.19.00.000;
- livers and roes of fish of tariff subheading 0302.91.00.000;
- frozen salmon of tariff subheadings 0303.11.00.000, 0303.12.00.000 and 0303.13.00.000;
- frozen trout of tariff subheadings 0303.14.00.000 and 0303.19.00.000;
- livers, roes, fins, heads, tails, swim bladders and other offal of edible fish of tariff subheadings 0303.91.00.000, 0303.92.00.000 and 0303.99.00.000;
- livers and roes of fish, dried, smoked, salted or in brine of tariff subheading 0305.20.00.000;
- salmon, dried, salted or in brine of tariff subheading 0305.41.00.000;
- trout, dried, smoked, salted or in brine of tariff subheading 0305.43 .00.000;
- cod of tariff subheading 0305.62.00.000.

7) leasing transactions carried out by credit establishments for borrowers towards the acquisition of specialized agricultural equipment to be used in farming, livestock, breeding and fishing;

8) sales of oil products for refuelling the aircraft of companies which have a registered office in Cameroon;

9) water and electricity consumption for the benefit of households whose consumption does not exceed:

- 20 m³ per month for water;
- 220 kw per month for electricity.

10) the composition, printing, import and sale of newspapers and periodicals, except proceeds from advertising, inputs and capital goods for these transactions, acquired by press, newspaper and periodicals companies. The list of such inputs and capital goods shall be drawn up by the Minister in charge of finance after consultation with the Ministers concerned;

11) imports of exempted goods under Article 241 of the CEMAC Customs Code;

12) tests, consultations, health care, hospitalization, medical and biological analysis and the provision of prosthesis in health facilities;

13) contracts and commissions on life insurance products with a savings component;

14) deleted

15) HIV/AIDS control equipment, under the conditions laid down by regulation.

16) subject to reciprocity, head-quarters agreement and quotas laid down by the competent authorities, all goods and services destined for the official use of foreign diplomatic and consular missions and international organizations.

17) materials and equipment used in harnessing solar and wind energy.

18) Deleted.

19) Deleted.

20) service deliveries billed on AMC members by the promoters;

21) **Deleted**;

22) urban public transport by bus;

23) universal postal service-related services rendered by postal service providers under the terms and conditions laid down by the regulations in force;

24) interest on negotiable debt securities issued by the State and regional and local authorities.

(25) Interest paid on loans less than CFA francs 2,000,000 (two millions) granted by first category microfinance institutions to their members.

(26) purchases of basic foodstuffs from farmers, livestock breeders and fishermen by public entities responsible for regulating or managing security stocks.

Section 128 a.- Notwithstanding the provisions of Section 128 above, some transactions may be optionally liable to the Value Added Tax. This is particularly the case of:

- mass urban public bus transport operations;
- various real estate operations carried out by non-professionals.

Section 128c: The exemptions provided for in sections 122 and 128 of this Code shall apply automatically, without giving rise to prior issuance of an exemption certificate.

DIVISION IV: TERRITORIALITY

Section 129.- (1) Transactions carried out in Cameroon and not listed among the exemptions in Section 128 above shall be liable to VAT even when the residence or head office of the real taxpayer is situated outside Cameroon.

(2) A transaction shall be deemed to have been carried out in Cameroon:

a) where, in the case of a sale, goods are delivered in Cameroon;

b) where, in the case of other transactions, the service provided, the rights transferred or the object hired is used or operated in Cameroon.

(3) As a special measure concerning inter-CEMAC transport only, transactions shall be deemed to be carried out in Cameroon if the carrier is resident in Cameroon or if his head office is located therein, even when the bulk of the transactions take place in another member state.

(4) Commissions shall be deemed to be paid in Cameroon in the event of sale of tickets by travel agencies or enterprises engaged in activities of this nature regardless of the destination or means of transport may be or wherever the head office of the transport company may be.

Section 130.- (1) VAT shall be established where the service is provided or utilized, or where the product is manufactured or first put on the market.

Where such place is different from the head office or the main establishment, the taxpayer shall be bound to appoint a solvent representative accredited to the tax authority of the said place, resident in Cameroon and who shall be jointly and severally liable to VAT.

(2) In case of failure to appoint a representative, VAT and, where applicable, the attendant penalties, shall be borne by the client on behalf of the taxpayer having no fixed or permanent professional establishment in Cameroon.

Section 130a: (1) For the purposes of Section 130 (1) above, a distinction must be made according to whether service delivery can be located tangibly or is intangible.

(2) Services that can be located tangibly in Cameroon shall be taxable in Cameroon at the general rate provided for in Section 142 of the General Tax Code, irrespective of the place of establishment of the lessee. These include in particular:

- means of transport rental;
- provision of services related to a building;
- port services carried out in the port area as well as on national territorial waters;
- intra-Community carriage of movable tangible goods by road or rail;
- services incidental to the intra-Community carriage of movable tangible goods;
- cultural, artistic, sporting, scientific, educational and recreational services, accommodation and sales for consumption on the spot;
- work and valuations of movable tangible goods;
- services of intermediaries acting in the name and on behalf of others.

(3) Intangible services shall be taxable at the place of establishment or residence of the customer. These are in particular:
- transfers and concessions of copyright, patents, licences, trademarks and other similar rights; rentals of movable tangible property other than means of transport; advertising services;
- the services of consultants, engineers and firms in all fields, including those of the organisation of research and development;
- the services of chartered accountants;
- data processing and information supply;
- banking, financial and insurance or reinsurance operations, with the exception of safe deposit box rentals;
- staff placement;
- the services of intermediaries who act in the name and on behalf of third parties in the provision of the services described above;
- telecommunications services;
- radio and television broadcasting services;
- services provided by electronic means;
- access to, and supply through, electricity or natural gas transmission and distribution networks and all other directly related services.

(4) Notwithstanding the provisions of paragraph (3) above, intangible services shall be taxable in Cameroon at the general rate provided for in Section 142 of the General Tax Code where the lessee is not liable to Value Added Tax.

DIVISION V:
EXCISE DUTY

Section 131: (1) An excise duty applicable to the products listed in Annex II is hereby instituted. The terms and conditions for its application are set out in the following Sections.

Section 131a: (1) The following shall not be subject to excise duty:

- Inputs of products subject to excise duty shall not be subject to excise duty, provided that they are purchased by local production enterprises subject to excise duty;
- electrically powered vehicles and motorbikes, under the tariff subheadings 8701.24 00 100, 8702.40 10 100, 8702.40.20.100, 8703.80 10 100, 8703.80.90.100, 8704.60 00 100, 8709.11 00 000 et 8711.60 00 000;
  - passenger vehicles with a cylinder capacity less than or equal to 2500 cm³, from 0 to **12** years of age;
  - utility vehicles, public transport vehicles, trailers and tractors other than agricultural vehicles of any cylinder capacity, aged from o to 15 years;
  - vehicles powered by compressed or liquefied natural gas (CNG/LNG).

(2) The exemption provided for in paragraph (1) above shall not apply to the following products:
- Hydroquinone of tariff subheading 2907. 22 00 000;
- Maize groats of tariff subheading 1103.13 00 000.

CHAPTER II:
METHODS OF CALCULATION
DIVISION I:
ASSESSMENT

Section 132 (new).- The Value Added Tax shall be levied only on natural and legal persons who are assessed on the basis of actual earnings as defined in section 93(c) above.

DIVISION II:
ACTS CONSTITUTING LIABILITY AND LIABILITY FOR PAYMENT

A - Acts constituting liability

Section 133.- (1) An act constituting liability to VAT and excise duty shall be defined as one satisfying all the legal conditions for liability to the tax.
The following shall constitute liability to VAT:
a) the delivery of goods and merchandise, in the case of sale, goods exchanges, and custom work;
b) the performance of services and work or parts of services and work, in the case of services and construction work;

- **c)** the payment of the price in the case of other taxable transactions;
- **d)** bringing of goods and merchandise into the national territory as defined by the CEMAC Customs Code, in the case of imports;
- **e)** the exchange or transfer of ownership, for real estate transactions carried out by real estate agents;
- **f)** transfer, usufruct or entry into usufruct, for leases of non developed land or bare premises carried out by real estate developers.

(2) Notwithstanding the provisions of (1) above, the following shall constitute liability to the tax:

- **a)** first use, in case of supplies to oneself;
- **b)** debts for building contractors who expressly opt for this system.

(3) The following shall constitute liability to excise duty:

- **a)** the supply of goods and services by the producer or his distributor or by the wholesaler, in the case of sale or exchange of goods;
- **b)** the putting of goods to home use, in the case of imports.

B - Liability

Section 134.-(1) Liability for payment of VAT and excise duty shall mean the right that may be exercised by the services responsible for collecting the said taxes, to claim payment from the taxpayer at a given time. The tax shall be due as follows:

- **a)** on supplies of goods when the chargeable event takes place. **However, in case of an advance payment, the tax shall be payable at the time of receipt, up to the amount received;**
- **b)** the receipt of payment, instalments or advances, including start-up advances, with respect to delivery of services and construction works, operations that contribute to social housing and the development of industrial zones, as well as portions of services and works, including those of suppliers to the State, government services with subsidiary budgets, public establishments and enterprises, and decentralized local and regional authorities;
- **c)** on transfers of landed property, on the date of conveyance or transfer of the property; however, as concerns hire-purchase by property developers within the context of low-cost housing, and transfer of possession of developed land and bare premises by real estate developers, liability shall be effective on the date each payment falls due;
- **d)** on importation or entry of goods and merchandise into Cameroon, at the time of registration of the statement of home use entry;
- **e)** on consumer credit or leasing transactions carried out by financial establishments, on the date when the interests or leases fall due.

(2) Any VAT invoiced shall be due for payment.

DIVISION III: CALCULATION

A - Basis of assessment

Section 135.- (1) The basis of assessment of VAT and excise duty on supplies of goods and provision of services within the national territory shall be as follows:

- **a)** for the supply of goods: all sums or valuables, all profits, goods or services received or to be received in return for the supply of the goods; for the specific case of beverage deliveries, the bases of assessment shall be the sale price recommended by the production companies.
- **b)** for the provision of services: all sums and benefits received and, where applicable, the value of materials consumed during the execution of the services;
- **c)** for the exchange of goods: the value of the products received in return for payment for the goods plus, where applicable, the value of the additional payment;
- **d)** for construction works: the amount stipulated in the contract, bill or invoice.
- **e)** for leasing transactions with or without option to buy, by the amount of rents

billed by leasing companies and, by the end of the contract, by the transfer price agreed upon in the contract when the purchase option is exercised by the lessee or by the transfer price where sale is to third party;

f) for transactions carried out by the enterprises of chance and entertainment games, by the total proceeds of such games.

(2) The basis of assessment for supplies to oneself shall be constituted by:

a) the purchase price, exclusive of taxes, of goods bought and used as is;

b) the cost price of the extracted, manufactured or processed goods.

Section 136.- The following shall be included in the basis of assessment as defined under Section 135 above:

1) ancillary cost of supply of goods and services charged to the customer;

2) taxes, duties and levies excluding VAT;

3) miscellaneous additional charges included in the price paid by the buyer or customer.

Section 137.- The following shall be excluded from the basis of assessment as defined under Section 135 above :

1) discounts, rebates and commissions, provided that they appear on an initial invoice or on a rectified bill;

2) free distribution of goods for advertisement or sales promotion;

3) disbursements which are merely refunds to the buyer or customer of the exact amount invoiced;

4) cash receipts such as interest in arrears or damages for non performance of contract terms which are not payments for any business transaction.

Section 137 a (new).- (1) Goods given away during advertising or sale promotion as referred to in section 137 (2) new of the present Code, are deducted from the assessment base of excise duty within the limit of 3% of the overall production.

(2) Any excess given shall be submitted to excise duty which is deductible from taxable profit for the calculation of company tax.

Section 137 b (new). For the calculation of excise duty, scrap yards shall be excluded from the tax base, within the limit of 1% of the enterprise's overall production volume.

Section 138.- (1) The basis of assessment for imports shall be determined by adding the amount of customs and excise duties to the taxable value as defined by Articles 23 to 26 of the CEMAC Customs Code.

For goods entering the territory of a member state, the basis of assessment shall be the ex-works value, excluding forwarding costs.

(2) The basis of assessment for imports shall be determined by adding the amount of customs and excise duties to the taxable value as defined by Articles 23 to 26 of the CEMAC Customs Code.

Section 139.- (1) The sums collected by the taxpayer as deposit on unidentifiable, returnable and reusable packaging shall be included in the assessment of VAT but not in that of excise duty as defined under Section 135 above.

(2) Where the returnable and reusable packaging is identifiable, the deposit shall be excluded from the basis of assessment.

(3) Where, on expiry of the time lapse observed in the trade, such packaging is not returned, VAT shall be claimed on the basis of its selling price.

Section 140.- (1) The basis of assessing VAT and, where applicable, excise duty on public contracts financed from State budget or through loans or subsidies of any origin whatsoever shall be the contract amount inclusive of taxes, excluding VAT and excise duty.

(2) The provisions of paragraph (1) above shall also apply to contracts relating to public establishments of an industrial and commercial or administrative, cultural or scientific nature; parastatals, councils and public bodies with or without a legal personality and financial autonomy.

(3) The methods of collecting VAT and, where applicable, excise duty on the contracts referred to in paragraphs 1 and 2 above shall be determined by decree.

Section 140 a (new).- Deductions initially made as excise duties shall be considered by tax officials when importers, wholesalers, semi-wholesalers and retailers are reselling throughout the national territory, in accordance with the provisions of Sections 135 and 142 of this Code.

Section 141.- For the calculation of VAT or excise duty, the basis of assessment shall be rounded down to the nearest thousand francs.

Section 141 a (new).- For the specific case of the beverages listed below, the basis of assessment of excise duty shall be determined after applying an abatement of:

- 10 % for carbonated beverages;
- ………… (deleted).

B – Rates

Section 142.- (1) VAT and excise duty rates shall be fixed as follows:

a) Value Added Tax :

- General rate ………………. 17,5 %
- *Reduced rate…… 10%*
- Zero rate …………………….0 %.

b) Excise Duty:

- Super high rate……………50%
- High rate……………………30%
- General rate ………………. 25 %
- Avarage rate …………….. 12.5%
- Reduced rate……………… 5%
- Extra abated rate……………2%.

(2) The rates shall apply both to locally produced goods and/or services and to imported goods. The additional council taxes included in the general rate shall apply to local goods and/or services and to imports.

(3) The VAT general rate shall apply to all transactions not subject to the zero rate.

(4) The reduced rate shall apply to the following goods and services:

- Interest paid on real estate loans contracted by physical persons for the purchase of social housing, if it is their first dwelling house and upon presentation of a clearance issued by the tax authorities;
- the sale of social housing to individuals purchasing their first dwelling house, subject to the production of a clearance by the tax authorities;
- social housing rentals paid to public or semi-public real estate developers.

(5) The zero rate shall apply to exports of taxable products.

(6) The excise duty general rate shall apply to goods and services listed in Annex II of this Code, exclusive of those subject to super high, high, abated and extra-abated rates.

(7) **a)** The abated rate of excise duty shall apply to:

- passenger vehicles with a cylinder capacity less than or equal to 2500 cm³, aged more than **12** years and less than **20** years;
- passenger vehicles with a cylinder capacity exceeding 2500 cm³, from 0 to 15 years of age;
- utility vehicles, public transport vehicles, trailers and tractors other than agricultural vehicles of any cylinder capacity, aged more than 15 (fifteen) years and less than **20** years;
- motorcycles with a cylinder capacity of more than 250 cm³ of tariff headings 8711.30, 8711.40 and 8711.50;
- parts of all motorcycles of tariff headings 8714.10, 8714.91 to 871499;
- hair, wigs, wools, beards, eyebrows, eyelashes, locks and other textile materials imported for the manufacture of wigs or similar hair of tariff headings 6703. to 6704;
- second hand articles of tariff heading 6309.00.00.000 and used tyres of tariff headings 4012.20.00.100 to 4012.20.00.900.
- packages of programmes and digital audio-visual content whose tax-exclusive price exceeds 10 (ten) thousand CFA francs;
- imported empty domestic gas cylinders;
- imported cattle, goat, sheep and poultry meat and edible offal;
- imported cocoa butter, including for use as input.

- refined vegetable oils imported under tariff subheadings 1507.90.00.000, 1508.90.00.000, 1509, 1510.90.00.000, 1511.90.00.000, 1512.19.00.000, 1512.29. 00.000, 1513.19.00.000, 1513.29.00.000, 1514.19.00.000, 1514.99.00.000, 1515.19.00.000, 1515.29.00.000, 1515.30.00.000, 1515.50.00.000, 1515.90.00.000 and 1516.20.00.000;
- imported cocoa beans, including those intended for use as raw materials of tariff heading 1801;
- imported dog or cat food of tariff subheading 2309.10.00.000;
- imported charcoal of tariff heading 4402.

b) The reduced excise duty rate shall apply to:

- games of chance and games of entertainment not subject to the special tax on games of chance and games of entertainment referred to in section 206 *et seq*. of this Code, on the turnover realized;
- cocoa-free sweets of heading 1704;
- chocolate and other food preparations with a high cocoa content of tariff heading 1806.20 to 180690;
- motorcycles with a cylinder capacity less than or equal to 250 cm^3;
- preparations for consumption of tariff headings 2103 to 2104;
- ice cream of tariff heading 2105;
- maize groats imported from tariff sub-heading 1103.13 00 000;
- Mayonnaise imported from subheading 2103.90 00 000.
- imported cereal products (corn flakes) and food preparations obtained from cereal flakes of tariff subheadings 1904.10.00.000 and 1904.20.00.000.
- imported ballpoint pens of tariff heading 9608. 10 00 000 and 9608.30 00 000;
- packages of programmes and digital audio-visual content whose tax-exclusive price is less than or equal to 10 (ten) thousand CFA francs but more than 5 (five) thousand CFA francs.

c) The extra abated rate shall apply to the tax free turnover of mobile telephone communication and internet services companies.

d) The super-high rate shall apply to hydroquinone of tariff heading 29072200000 and imported cosmetic products of Chapter 33 containing hydroquinone.

e) The high rate shall apply to cigars, cigarettes and other tobacco of Chapter 24; pipes and their parts, tobacco and pipe preparations of tariff headings 2403.11.00.000, 2403.19.90.000, 324.90.00.0000 and 9614.00.000 respectively.

(7) In the specific case of tobacco, the amount of excise duty arising from the application of the 25% rate referred to in paragraph (1) b may not be less than CFAF 5 000 per 1000 rods of cigarettes, concerning imported finished tobacco products.

(8) (new). In the specific case of alcoholic beverages, the excise duty amount resulting from the application of the 25% rate referred to in subsection 1 (b) above, shall contain another specific tax rate.

The amount of additional excise duty arising from the application of the specific taxation system shall be:

- CFAF 75 for all 65 centiliters of beer and 37.5 CFAF for all 33 liters of beer;
- For locally produced wines, spirits, whiskies and champagnes;
  - 2 CFAF per centiliter for spirits known as mixed liquor;
  - **5**-CFAF per centiliter for wines;
  - **15** CFAF per centiliter for whiskies;
  - **35** CFAF per centiliter for champagnes;
- For lower quality imported wines, spirits, whiskies and champagnes:
  - **5** CFAF per centiliter for spirits known as mixed liquor;
  - **10** CFAF per centiliter for whines;
  - **20** CFAF per centiliter for whiskies;
  - **40** CFAF per centiliter for champagnes;

- For premium imported wines, spirits, whiskies and champagne:
  - **10** CFAF per centiliter for spirits known as mixed liquor;
  - **15** CFAF per centiliter for wines;
  - **30** CFAF per centiliter for whiskies;
  - **100** CFAF per centiliter for champagnes.

(9) *Deleted*

(10) *Deleted*

(11) In the specific case of imported carbonated beverages, sodas and other non alcoholic beverages, in addition to the excise duty referred to in paragraph (1) (b) above, a specific excise duty of 2.5 CFAF per centiliter shall be applied.

C - Deductions

Section 143.- (1) Value Added Tax applied upstream on the price of a taxable operation, shall be deductible from the final tax applicable to such transactions, as concerns registered taxpayers assessed on the basis of actual earnings, in the following manner:

a) The value Added Tax which was applied to the price of the taxable transaction shall be deducted during the corresponding month.

b) To be deductible, VAT should appear:

- on a bill duly issued via the tax authority's electronic invoicing tracking system by a registered supplier, entered in the taxpayer's file active at the time of invoicing, subject to the actual tax regime and mentioning its unique identification number. However, these conditions shall not apply to suppliers abroad;
- in the case of imports, on the home use entry statement (D3, D43, T6a);
- in the case of supplies to oneself, a special return filed by the taxpayer himself.
- In the event of deduction at source on a certificate of deduction at source.

c) The right to deduction shall arise once the supplier's tax payments fall due.

d) For taxable transactions of at least CFAF 100 000 (one hundred thousand), the reduction authorization shall be on condition that the said transactions are not paid in cash.

(2) The right to deduction shall be exercised until the end of the second financial year following the one in which VAT fell due.

(3) The deduction shall concern VAT levied on:

a) raw materials and supplies used in producing goods and services;

b) services which are real factors of production, on condition that the providers thereof are themselves registered taxpayers assessed on the basis of actual earnings;

c) the purchase of goods and merchandise used for business purposes;

d) capital goods used for business purposes, excluding private vehicles, the spare parts and costs of repair thereof;

e) VAT levied on goods used by a concessionaire but belonging to the conceding authority.

(4) The exportation of products shall entail a right to deduction and, where applicable, a tax credit where VAT on such products was pre-paid. The same shall apply to the services provided directly at the manufacturing processing or packaging stages of exported products, as well as to the transportation and transit operations relating thereto. The deductions shall not be final until proof of actual exportation and prepayment of VAT is shown.

VAT deductions at source shall be made upon production of the certificate of deduction at source issued by the entity authorized to deduct taxes and levies at source via the tax authority's computerised system.

Any withholding tax certificate issued outside the tax authority's IT system shall not give entitlement to VAT deduction.

(5) *Deleted*

Section 144.- Taxes paid on the following shall not entail deductions:

1) Expenses for housing, lodging, catering, receptions, shows and costs of hiring a private car or passenger transport vehicle.

The above exclusion does not concern expenses borne by taxable activities carried out by professionals in tourism, restaurant, show spectacles and the renting out of vehicles.

2) Importation of goods used for business purposes but which are unused and re-exported as is;

3) Goods and services purchased by the enterprise but which are used by third parties, the management or employees of such enterprises;

4) Services relating to goods exempted from the right to deduction;

5) Expenses linked to the purchase of fuel.

Section 145.- A taxpayer shall be liable for part of the previous deduction where property which had been subject to deduction under fixed assets ceases to be part of the assets of the enterprise as a result of transfer before the end of the fourth year with effect from the time it was acquired. Such part shall be equal to the amount of deduction, less one fifth for each year or part thereof from its time of acquisition.

VAT initially deducted shall be paid in full in the case of goods and services which are not fixed assets, where such goods and services were used for transactions not liable to VAT.

The full repayment of the Value Added Tax initially deducted shall also be required where the goods and services concerned were the subject of misappropriation or fraud committed directly or indirectly by a partner or a manager of the company.

Section 146.- VAT paid on sales or services which are subsequently rescinded, annulled or unpaid shall be recoverable by charging it to tax owed for transactions carried out subsequently.

For annulled or rescinded transactions, the tax already paid may be recovered by preparing and sending to the client a new invoice to replace the initial one.

For unpaid transactions, where the credit is actually and definitely not recoverable, rectification of the invoice shall consist in sending a duplicate of the initial invoice bearing with the statutory entries over which shall be written the following: *"invoice unpaid in the amount of corresponding to price excluding VAT and in the amount of corresponding to VAT which may give rise to a deduction".*

Section 147.- For taxpayers not exclusively carrying out transactions giving a right to deduction, the deduction shall be made proportionately. Such deduction shall apply to fixed assets and to goods and services. It shall be calculated from the fraction of turnover pertaining to taxable transactions.

The fraction shall be the ratio in which:

- to the numerator, the amount of the income corresponding to the transactions liable to the Value Added Tax, including exports of taxable products;
- denominator, the amount of all income realized by the taxpayer.

When they pertain to goods liable to tax by nature, the following transactions shall feature in the numerator:

- transactions referred to in section 128 (16) of the General Tax Code;
- transactions exempted from VAT within the framework of specific conventions signed with the State.

However, as regards the specific case of haulers engaging in interstate freight forwarding operations and related services in the CEMAC region, the specific turnover of these operations shall appear in both the numerator and denominator.

The proportional deduction thus defined shall be determined provisionally on the basis of the income and revenue from the previous year or, for new taxpayers, on the basis of the income and revenue of the current year.

The final amount of the proportional deduction shall be fixed not later than 31 March each year. Any deductions already made shall consequently be regularized within the same time-limit.

A deduction shall be acceptable only following verification of the proportional deduction.

The estimated proportional deduction for existing enterprises shall be acceptable only upon presentation of the final proportional deduction for the previous year serving as a basis, or, for new enterprises, accounting estimates.

Any positive or negative difference between the provisional and final proportional deduction shall be subject to an additional VAT or deduction. Where the proportional deduction falls below 10%, no deduction shall be allowed.

Any taxpayer not engaged in exclusively taxable transactions shall submit a return showing the calculation of the proportional deduction applicable to such transactions. (omission)

Section 148.- Different sectors of activity may be taken into account where a taxpayer carries out activities not subject to the same VAT provisions, on condition that separate accounts are kept for each sector of activity. VAT shall be fully deductible or not depending on the sector of activity.

Non-compliance with this condition shall entail a review of the option and the proportion shall apply as of right.

CHAPTER III: RULES OF PROCEDURE

DIVISION I: METHODS OF PAYMENT OF THE TAX:

Section 149.- (1) Value added tax shall be paid directly and voluntarily by the taxpayer upon filing their returns into the coffers of the Collector of taxes with jurisdiction over his head office, his main establishment or his authorized representative. However, companies under the specialized management unit shall declare and pay value added tax to the latter.

These payments are transferred to an account domiciled at the Bank of Central African States “BEAC” whose net balance is intend paid into the public treasury. The working condition of this account is stipulated in a convention signed between BEAC and the monetary authorities.

For suppliers of the State, Regional and Local councils, Administrative public Establishments and publics and Semi-public Enterprises, and some private sector enterprises the lists of which are drawn up by regulation, Value Added tax is deducted at source during the settlement of invoices and transferred to the tax office or, otherwise, the accounting post with territorial jurisdiction under the same conditions and time-limits applicable to the other transactions. Such deductions shall concern both initial invoices and credit notes relating to commercial discounts. The deduction thus made gives rise to the issue of a certificate of deduction at source which must be generated from the tax authority's computer system.

(2) For State, regional and local authority and public administrative establishment semi-public and public companies’ suppliers, as well as some non-profit organizations (NPOs) and private sector companies, the lists of which shall be established by regulation, Value Added Tax shall be deducted at source when invoices are paid and paid to the tax authorities or, failing that, to the local accounting office, under the same conditions and within the same timeframe as for other transactions. Such deductions shall apply to both initial invoices and credit invoices relating to trade discounts. The deduction thus made shall be subject to the issue of a certificate of deduction at source, which must be generated from the tax authorities' computer system.

(3) Tax credits resulting from the deduction mechanism shall be chargeable to the VAT due for subsequent periods until fully paid and without any deadline.

The tax administration may, at any time carry out a validation check of a VAT credit presented by a taxpayer.

For general trade activities which by their nature are not likely to generate a structural credit value added tax, any carry-forward credit on subsequent returns shall not be accepted beyond a period of 3 (three) months after prior approval by the relevant tax administration services.

VAT deductions made at source may be authenticated only on production of attestations of deduction at source.

(4) No application for refund or offsetting of the value added tax (VAT) may be submitted based on receipts of payments in cash.

Accrued quarterly credits exceeding CFA francs 50 million, for enterprises falling under the Large Tax Department, and exceeding CFA francs 20 million for the other enterprises, shall be forwarded to the relevant taxation center for authentication. They shall be carried forward to subsequent periods starting from the month following that in which they are authenticated.

Non chargeable VAT credits shall, on the request of their holders and on the express authorization of the Director General of Taxation, be offset for the payment of VAT, excise and customs duties, on condition that the said holders show proof of an uninterrupted activity for the past two years and more at the time of the request and that they are not currently undergoing a limited or general audit of their books.

VAT credits may by offset and, where applicable, refunded, on condition that their beneficiaries do not owe any taxes duties whatsoever which can be swapped and, that the credits are justified.

They shall be refundable:

- within a period of three months to firms having a structural credit status due to the deduction of tax at source;

Any withholding tax certificate issued outside the tax administration's computer system does not give entitlement to reimbursement.

- within a period of three months to international organizations signatories to an agreement with the State of Cameroon, exclusively for the share of professional expenses directly related to their official missions;
- within 3 (three) months of filing the application to industrialists, **companies** approved under the scheme for supporting economically distressed areas, marketers and leasing establishments where the latter renounce the charging mechanism;
  However, the refund of VAT credits to marketers shall be limited to those concerning investments carried out in the construction of service stations.
- within 3 (three) months of filing the application to companies in a situation of structural credit due to the carrying out of CEMAC transit operations;
- to exporters within a time-limit of not more than 2 (two) months from the date the application for reimbursement is lodged;
- at the end of the financial year, after validation by the relevant tax office, to public purpose non-profit organizations managed voluntarily and selflessly for any person, where their operations are social, sporting, cultural, religious, educational or philanthropic, in accordance with their purpose.

However, the amount of refundable VAT credit is limited to the amount of VAT calculated by applying the general rate in force to the exports carried out.

Exporters are required to attach to their returns the customs references of exports made, the attestation of effective export issued by the administration in charge of Customs, as well as the attestation of repatriation of funds issued by the administration in charge of the Treasury on export sales for which they are applying for reimbursement.

Applications for the offsetting or refund of tax credits shall be forwarded along with a zero-debt statement of the tax situation.

(5) In merger-absorption transactions, the absorbed company may transfer to the absorbing company the pending validated Value Added Tax credits at its disposal on the date on which it legally ceases to exist.

Section 149 a.- (1) Applications for reimbursement of eligible VAT credits, together with supporting documents, submitted electronically to the competent tax authorities, shall be admissible.

(2) VAT credit refunds shall be made within the time limits referred to in Section 149 above and in accordance with the following terms and conditions:

(a) For low-risk companies, reimbursement shall be automatic without the implementation of a prior validation control procedure;

(b) For medium-risk companies, reimbursement shall be made after a credit validation control procedure;

(c) For high-risk companies, refunds may only occur after a general accounting audit procedure that must be completed within one month after submission of the application for refund.

(3) For the purpose of paragraph 2 above, low-risk enterprises shall be those fulfilling the following cumulative criteria at the time of submission of their application:

- belong to the portfolio of the Large Tax Department;
- not have tax arrears, including in a tax litigation;
- have regularly benefited from refunds of value added tax credits in the last three (3) years not contested during a tax audit.

Medium-risk enterprises shall be those fulfilling the following cumulative criteria at the time of submission of their application:

- fall under to the portfolio of the Large Tax Unit or a specialised management unit;
- have no tax arrears or benefit from a stay of payment;
- have regularly benefited from refunds of value added tax credits in previous fiscal years not contested during a tax audit.

High-risk businesses shall be those that do not fall under any of the above categories.

Section 149 b.- (1) Low-risk companies that have benefited from automatic reimbursement shall be subject to ex-post validation control of their credits.

(2) Medium-risk companies that have received reimbursement after validation control shall undergo a general accounting audit following the rules laid down by the Manual of Tax Procedures.

(3) Without prejudice to the downgrading of the taxpayers concerned, VAT adjustments made during ex-post control of low-risk taxpayers having benefited from credit reimbursements without prior control shall give rise to the application of penalties of 150% increased with interest on late payment without ceiling and without possibility of remission.

(4) VAT adjustments made during a general accounting audit of medium-risk taxpayers having benefited from credit reimbursements after validation control shall give rise to the application of the penalties of 100% increased with interest on late payment without a ceiling.

Section 149c: (1) The VAT due on the sale of goods and services provided through e-commerce platforms shall be calculated, declared and paid into the Treasury by operators of these platforms, on behalf of the suppliers.

The VAT due on commissions received on sales in Cameroon through e-commerce platforms shall be declared and paid into the Treasury by the operators of these platforms.

(2) To fulfil the above-mentioned tax obligations, operators of e-commerce platforms shall be required to apply for registration with the tax authorities.

The registration, declaration and payment of taxes collected by operators of e-commerce platforms can be carried out online through the tax administration's Internet portal.

(3) Without prejudice to the penalties provided for in the Manual of Tax Procedures, failure to comply with the obligations provided for in Section 149c (1) and (2) above shall give rise to the suspension of access to the platform from the Cameroonian territory.

(4) An implementing instrument shall lay down the procedures for the implementation of these provisions.

Section 149 d (new): **(1)** Notwithstanding the provisions of this Code, Value Added Tax (VAT) applicable to port operations shall be automatically paid and refunded as follows:

a. VAT on consignees' and shipping agents' agency fees and port charges invoiced by intermediaries shall be paid by the port authorities via their IT system at the time of payment of the corresponding invoices, and remitted to the tax centre to which they are attached.

b. VAT applicable to the fees of Authorized Customs Agents, as well as to the costs of stevedoring, handling, scanning, inspection and control, shall be liquidated and repaid via the Customs Authority's computer system when the customs return is validated.

(2) The tax authorities, in conjunction with the government services and entities concerned, shall ensure that the VAT paid is paid in accordance with the procedures set out and in compliance with the provisions of the law.

(3) The terms of application of this provision are specified in a text issued by the Minister of Finance.

DIVISION II: TAXPAYER'S OBLIGATIONS

Section 150.- Taxpayers liable to the VAT must:

1) be registered;

2) *Repealed*;

3) *Repealed;*

4) keep accounts in accordance with the standard system provided for by the OHADA accounting law;

5) Issue to their clients bills that must bear the following indications:

- the single identification number of the supplier and customer;
- the date of billing, name, company name, full address and trace register number of the supplier;
- the full identity of the customer;
- the nature, purpose and details of the transaction;
- the price excluding tax;
- the rate and amount of the corresponding tax;
- the total amount, tax inclusive owed by the customer;
- the words "exempted" or "taken care of by the State" where appropriate, per product.

Section 151.- (1) Any person using either habitually or occasionally for transactions carried out in Cameroon, the services of an enterprise which has neither a head office nor any fixed establishment or business contact in Cameroon must declare the fact within 15 (fifteen) working days following the conclusion of any written or verbal agreement binding him to that enterprise.

(2) The declaration must specify the name of the solvent official accredited to the taxation authority by the foreign enterprise. Failing such declaration, he shall be jointly and severally liable to any VAT due from the enterprise as a result of the agreement in question.

Section 152.- Value added tax (VAT) and excise duty shall be settled as follows on the basis of the return forms supplied by the taxation authorities:

1) *Repealed*

2) Taxpayers liable to the simplified taxation system or assessment based on actual earnings shall be bound to submit their returns within 15 days of each month following the month during which the relevant transactions were conducted.

3) Tax returns must be submitted to the competent tax collection office of the area along with the appropriate amount to settle the taxes due.

4) All returns filed must be dated and signed by the taxpayer or his duly authorized fiscal representative.

5) Where, during a month or quarter, no taxable transaction has been carried out, a return shall nonetheless be filed bearing "NIL" on the "taxable transaction" line.

Section 153.- The fiscal and customs provisions in the establishment conventions concluded with the State before the date of promulgation of Law No. 98/9 of 1 July 1998: Finance Law of the Republic of Cameroon for the 1998/1999 financial year, in Section 8 thereof relating to VAT and excise duty shall remain in force, save amendment by agreement between the State and signatory companies.

ANNEX TO PART II:
ANNEX I: LIST OF BASIC COMMODITIES EXEMPTED FROM VAT

TARIFF No			TARIFF DESCRIPTION
010511	00	000	Live cocks and hens, domestic species, not exceeding 185 g
010594	00	000	Live cocks and hens, domestic species, exceeding 185 g
030211 to 030569	00	000	Fish
040110	00	000	Milk and cream, not concentrated nor containing added sugar or other sweetening matter :- of a fat content, by weight, not exceeding1%
040120	00	000	Milk and cream, not concentrated nor containing added sugar or other sweetening matter: of a fat content >1% and <=6%
040140	00	000	Milk and cream, not concentrated nor containing added sugar or other sweetening matter: of a fat content =>6% and <=10%
040150	00	000	Milk and cream, not concentrated nor containing added sugar or other sweetening matter: of a fat content >10%
040210	00	000	Milk and cream, concentrated or containing added sugar or other sweetening matter: in powder, granular or other solid forms, of a fat content <=1,5%
040221	00	000	Milk/ cream, concentrated not containing added sugar or other sweetening matter: in powder, granular or other solid forms, of a fat content >1,5%
040229	00	000	Other milk and cream, concentrated nor containing added sugar or other sweetening matter: in powder, granular or other solid forms, of a fat content >1,5%
040291	00	000	Other milk and cream, concerntrated, not containing added sugar or other sweetening matter
040299	00	100	Other milk and cream, concerntrated, not containing less than 40% of sugar or other sweetening matter
040711	00	000	Gallus domesticus poultry, fertilized for incubation
040719	00	000	Eggs of other birds, fertilized for incubation
100110	00	000	Other fresh chicken eggs in shells
100119	00	000	Other fresh bird eggs in shells
100590	00	000	Other preserved or cooked bird eggs in shells
100610	10	000	Other durum wheat
100610	90	000	Other meslin
100620	00	000	Other corn
100630	10	000	Semi-milled or milled rice, even polished or glazed, packaged for retail sale (deleted)
100630	90	100	Semi-milled or milled rice, even polished or glazed, in less than 1kg packaged but not more than 5kg package (deleted)
100630	90	900	Semi-milled or milled rice, even polished or glazed, packaged otherwise (deleted)
100640	00	000	Broken rice (deleted)

110100	10	000	Wheat flour
110100	20	000	Meslin flour
1102.20	*00*	000	Locally produced maize flour
1106	*20*		Locally produced potato and manioc flour
190110	11	000	Preparations for infant feed, cvd ; made from flour, semolina, starch,…, not containing cocoa, ndca
190510	00	000	Preparations for infant feed, made from flour, oatmeal, semolina, starch, …, containing cocoa less 40% in weight
190590	90	000	Preparation for infant feed, made from 0404 products not containing cocoa powder
230110	00	000	Preparation for infant feed, made from 0401 to 0404 products not containing cocoa powder less than 5% in weight
230120	00	000	Crisp bread even containing cocoa
2302	10		Locally produced maize bran
230220	00	000	Other heading N°1905 products (plain bread, wholemeal bread)
230230	00	000	Flours, meals, pellets, of meat/offal, unfit for human consumption; greaves
230240	00	000	Flours, meals, pellets, of meat/crustaceans, unfit for human consumption
230250	00	000	Bran, sharps and other residues, whether in the form of pellets or not…of wheat treatments
230400	00	000	Bran, sharps and other residues, whether in the form of pellets or not… treatment of other cereals
230620	00	000	Bran, sharps and other residues, … of legumes treatments
230630	00	000	Seed cakes and other solid residues, even crushed…, from soybean oil extraction
230641	00	000	Seed cakes and other solid residues, from fat/flax seed oil extraction
230649	00	000	Seed cakes and other solid residues, from fat/sunflower seed oil extraction
230650	00	000	Seed cakes and other solid residues…, rape/colza seeds, with low erucic acid seed oil extraction
230690	10	000	Other seed cakes and other solid residues, …from rape or colza seeds
230690	90	000	Other seed cakes and other solid residues, …from fat or coconut or copra oil
230990	10	000	Other seed cakes and other solid residues, …from fat or corn germ oil
230990	90	000	Other seed cakes and other solid residues, …from fats or vegetable or oils
250100	90	100	Feed mill food preparations, with a concentration of equal or more than 2%
270900	10	000	Other feed mill food preparations
271012	23	000	Raw bulk salts
271113	00	000	Crude petroleum oils
293712	00	000	Kerosene
293920	00	900	Liquefied butanes

294110	00	000	Natural or synthesized insulin and its salts
294120	00	000	Quinine and its salts
294130	00	000	Penicillin and their derivatives, with a penicillanic acid structure ; salts thereof
294140	00	000	Chloramphenicol and its derivatives ; salts thereof
294150	00	000	Erythromycin and its derivatives ; salts thereof
294190	00	000	Other antibiotics
3001 to 3006			Pharmaceuticals
3101 to 3105			Various fertilizers
340700	10	000	Dental waxes in all forms ; other plaster-based compositions for dentistry
370110	00	000	Plates and sheet films, photographic films, sensitized, unexposed, for X-ray
370210	00	000	Sensitized photographic film in rolls ; photographic film for X-ray development
380850	00	000	Chemically constituted goods defined as mentioned in Note 1 of subheading Chap 38
380891	10	100	Insecticides and similar products cvd or in packages <= 1 kg, or in the form of agricultural items
380891	90	100	Other insecticides and similar products in readiness, for agricultural use
380892	10	100	Fungicides and similar products cvd or in packages <= 1 kg, or in the form of agricultural products
380892	90	100	Other fungicides and similar products in readiness, for agricultural use
380893	10	000	Herbicides, anti-sprouting products, cvd or in packaging <= 1kg, or in the form of articles
380893	90	000	Other herbicides, germination inhibitor, plant growth regulator and similar products in readiness
380894	10	000	Disinfectants and similar products cvd or in packages<= 1 kg, or in the form of articles
380894	90	000	Other disinfectants and similar products in readiness, for agricultural use
3822	00	000	Diagnostic or laboratory reagents
401410	00	000	Condoms
401490	00	000	Other hygienic or pharmaceutical items (+ teats), made of vulcanized rubber other than hard rubber…
401511	00	000	Gloves, mittens and mitts, made of vulcanized rubber other than hard rubber, for surgery
480100	00	000	Newsprint, in rolls or sheets
480269	10	000	Paper, paperboard, including +10% in fiber weight obtained mechanically or chemically-mechanically, for newspapers…
490110	10	000	Books and school brochures, in single sheets, even folded
490110	90	000	Other books, brochures and similar printed matter, in single sheets, even folded
490191	00	000	Dictionnaries and encyclopaedias, even in the form of manuals

490199	10	000	Books and school brochures other than in single sheets, even folded
490199	90	000	Other books, similar brochures and printed materials
630493	00	100	Mosquito nets, in synthetic fiber
630499	00	100	Mosquito nets, in other textile material
701510	00	000	Corrective glasses, curved, hollowed… not optically processed
701710	00	000	Lab, hygiene/pharmacy glassware, even graduated/calibrated, made of quartz/other fused silica
701720	00	000	Lab, hygiene/pharmacy glassware, made of another glass with <5x10-6 K between 0°C and 300°C conditioning
701790	00	000	Other laboratory, hygienic or pharmacy glassware even graduated or calibrated
841920	00	000	Medical, surgical or laboratory sterilizers... except ovens and …n°8514
871310	00	000	Wheelchairs and carriages for disabled persons, without propulsion mechanisms
871390	00	000	Wheelchairs and carriages for disabled persons, with motor/other propulsion mechanisms
871420	00	000	Part and accessories for the wheelchairs or other carriages for disabled persons
901 180	00	000	Microscope
901811	00	000	Electrocardiographs
902212	00	000	Tomography equipment controlled by an automatic IT Machine
902213	00	000	X-ray equipment for dentistry,, + photofluorography/radiotherapy equipment
902214	00	000	X-ray equipment for medical/surgical/veterinary use,, + photofluorography/radiotherapy equipment
902219	00	000	X-ray equipment for other use,, + photofluorography/radiotherapy equipment
902221	00	000	Alpha/beta/gamma radiation equipment, for medical/surgical/dental/veterinary use …
902229	00	000	Alpha/beta/gamma radiation equipment, for other uses, + photofluorography/radiotherapy equipment
902230	00	000	X-ray tubes, for tests or treatment
902290	00	000	Other X-ray/voltage generator, control box… ; parts and accessories of equipment and dispo of 90.22
940210	10	000	Dentists’ chair and spare parts
940290	00	000	Medical/surgical/dental/veterinary furniture ; spare parts thereof

ANNEX II: LIST OF PRODUCTS SUBJECT TO EXCISE DUTIES

TARIFF No.	TARIFF DESCRIPTION
2009	Natural fruit juice
2201 to 2202	Soft drinks, imported mineral water
2203 00 00	Beer made from malt
2204	Wine of fresh grapes... the whole heading
2205	Vermouth and other wine of fresh grapes
2206 00 00	Other fermented beverages (for example, cider, perry, mead)
2208 20 00 to 2208 90 92	Spirits, whiskies, rum, gin and other spirits, etc., except: 2208 90 10 "undenatured ethyl alcohol..." 2208 90 10 "undenatured ethyl alcohol..."
2402	Cigars, cigarillos and cigarettes, of tobacco or of tobacco substitutes
2403 99 10	Chewing tobacco and snuff
2403 99 90	Other manufactured tobacco
16022010	Foie gras
16043000	Caviar and its substitutes
03021200	Fresh or chilled Pacific, Atlantic and Danube salmon
03021900	Other salmon
03031900	Other Frozen Pacific Salmon
03032200	Frozen Atlantic Salmon
03054100	Dried, salted, or in brine Pacific, Atlantic and Danube salmon
7101 10 00 to 7105 90 00	Fine pearls, precious stones
7106 10 00 to 7112 90 00	Precious metals
7113 11 00 to 7117 90 00	Jewellery
8703239100 to 8703249001 and 8703329100 to 8703339001	Passenger cars with an internal combustion engine of a cylinder capacity of 2000 cm3 or more
	Mobile telephone communications and Internet services.
870321 to 870324 870331 to 870333 870390	Passenger vehicles with internal combustion engine more than ten (10) years old

870120 870190 870421 to 870423 870431 to 870432 870490 870210 to 870290	Commercial vehicles and road tractors over fifteen (15) years old excluding agricultural tractors
030390 00000	livers and roes of fish of heading 03.03, frozen
030520 00000	fish livers and roes, dried, smoked, salted or in brine
	Non-returnable packaging
	Games of chance and entertainment, including lotteries and pari-mutuel betting games or simple bets
6309.00.00.00.000	Second Hand Goods
4012.20.00.100 to 4012.20.00.900	Second-hand pneumatic tyres
9614.00.000 2403.11.00.000 2403.19.90.000 3824.90.00.000	Pipes and parts thereof, tobacco and pipe preparations
	Perfumes and cosmetics
	Passenger vehicles with a cylinder capacity not exceeding 2 500 cm3 , more than 10 to 15 years old
	Passenger vehicles with a cylinder capacity exceeding 2 500 cm3 , 1 to 15 years old
	Other commercial vehicles, public transit vehicles, trailers, tractors, excluding agricultural tractors of any engine size, over 15 to 25 years old
	Passenger vehicles with a cylinder capacity not exceeding 2 500 cm3 , more than 15 years old
	Passenger vehicles with a cylinder capacity exceeding 2 500 cm3 , more than 15 years old
	Other commercial vehicles, public transit vehicles, trailers, tractors, excluding agricultural tractors of any engine size, over 25 years old
2403.11.00.000, 2403.19.90.000, 324.90.00.0000 and 9614.00.000	Pipes and parts thereof, tobacco and preparations for pipes of the respective tariff headings
8711.30, 8711.40 and 8711.50	Motorcycles of a cylinder capacity exceeding 250 cm3
8714.10, 8714.91 to 871499;	motorcycles spare parts
6703. to 6704	Hair, wigs, wool, beards, eyebrows, eyelashes, locks and other textile materials **imported** for the manufacture of wigs or similar articles of human hair
1704	Sugar confectionery without cocoa

1806.20 to 180690	Chocolates and other food preparations with a high cocoa content
	Motorcycles with a cylinder capacity not exceeding 250 cc
2103 to 2104	Preparations for consumption
2105	Ice cream for consumption
29072200000	Hydroquinone and cosmetic products of Chapter 33 containing hydroquinone
9504	Video game consoles and machines, articles for parlour games, including motorized or motion games, billiards, special tables for casino games and automatic bowling alleys
	Packages of digital audiovisual content and programs
…….	Imported perfumes and cosmetics
……	……..
29072200000	Hydroquinone and cosmetic **imported** products from Chapter 33 containing hydroquinone
…..	……..
4418. 10 00 000 ; 4418.20 00 000 ; 4418.73 00 000 to 4418.74 00 000 ; 9403. 30 00 000 ; 9403.50 00 000; 9403.60 00 000	Imported wèeeeeeeeeeeeeooden articles and furniture
3401. 19 10 000 to 3402.90 00 000	imported soaps, organic surface-active preparations and cleaning preparations
4818. 10 00 000	imported toilet paper
1602.41 00 000 ; 1602.42 00 000 ; 1704.10 00 000 ; 1704.90 90 000 ; 1806.90 00 000 and 1905.	imported food products
3923.10. 00 000 ; 3923.21 00 000 and 6305.	imported plastic articles and packaging
5514.to 5516.	imported woven fabrics of synthetic and artificial staple fibres
0603.to 6702.	imported natural and artificial flowers
3926.90 90 000 and 4421.99 00 000	toothpicks in all imported materials
2103.90 00 000	the imported mayonnaise
1103.13 00 000	imported maize grits
0409.00.00.000	Imported natural honey

0701.90.00.000; 0710.10.00.000	Imported Irish potatoes
0801. to 0814.	Imported edible fruits
0902.	Imported tea
Tariff Number	Tariff Description
0901.11.12.000 to 090111 19; 090111 22 to 0901.11.49.000; 0901.11.52.000 to 090112.00.000; 0901.21.00.000 and 0901.22.00.000	Imported coffee
0904.	Imported peppers and chillies
0910.11.00.000 and 0910.12.00.000	Imported ginger
0201. to 0210.	Imported cattle, goat, sheep and poultry meat and edible offal
1804.00.00.000	Imported cocoa butter, including for use as input
4421.20.00.000 and 4421.99.00.900	Wooden coffins and other wooden articles
4421.20.00.000 and 4421.99.00.900	Wooden coffins and other imported wooden articles
9608.10 00 000 and 9608.30 00 000	Imported ballpoint pens
2837.11.00.000; 2837.19.00.000 and 2837.20.00.000	Cyanide
3602.00.00.000	Explosive substances
3603.10 à 3603.60	Detonators
	Imported empty domestic gas cylinders
9403.10.00.000	Metal furniture used in offices
9403.40.00.000	Wooden furniture of the types used in kitchens
9403.70.00.000	Plastic furniture
1904.10.00.000 and 1904.20.00.000	Imported cereal-based products (corn flakes) and food preparations obtained from imported cereal flakes
1507.90 00 000, 1509.20 00 000, 15.09.20 00 000, 1508.90 00 000, 1509. 90 00 000, 1510.90 00	Imported refined vegetable oils

000, 1511.90 00 000, 1512.19 00 000, 1512.29 00 000, 1513.19 00 000, 1513.29 00 000, 1514.19 00 000, 1514.99 00 000, 1515.19 00 000, 1515.29 00 000, 1515.30 00 000, 1515.60 00 000, 1515.90 00 000 ;	
1801	Imported cocoa beans, including those intended for use as raw materials
2309.10.00.000	Imported food for dogs and cats
4402	Imported charcoal
0901.11.12.000 to 0901.11.19 ; 090111 22 to 0901.11.49.000 ; 09011.11.52.000 to 090112.00.000 ; 0901.21.00.000 and 0901.22.00.000 ; 2101	Imported coffee

PART III
COUNCIL TAXES
From section 154 to section 205 refer to book three on Local fiscal Systems

PART IV: DIVERSES TAXES AND DUTIES

CHAPTER I: TAX ON GAMES OF CHANCE AND GAMES OF ENTERTAINMENT

DIVISION I: COMMON PROVISIONS

Section 206.- A tax shall be paid on proceeds from games of chance and games of entertainment to the State and councils, regardless of the type of establishment generating such proceeds.

Section 207.- The said tax shall be payable by natural persons or corporate bodies operating on the national territory, as their principal or secondary activity, games which, regardless of their names:

- are founded on the hope of winnings in kind or cash through luck or any other means;
- are meant purely for entertainment.

Section 208.- These provisions shall apply to the following games:

- games of chance, bowls, twenty three, roulette, *trente* and *quarante*, blackjack, crap and the like;
- games known as "club games", such as baccarat, *chemin de fer*, the two gaming table baccarat with a ceiling on the bank, *écarté*;
- American baccarat, the two gaming table baccarat with no ceiling on the bank, and the like;
- slot machines or machines which are operated by slotting a coin or token whether or not the player wins cash;
- games organized via mobile phones.

DIVISION II: SPECIFIC PROVISIONS FOR CASINOS

Section 209.- Proceeds of games shall comprise:

- for counterpart games, the difference between the amounts collected at the end of the game and the initial stake;
- for club games, the total amount of the pot.

Section 210.- (1) The tax base shall comprise all gross proceeds of games, including miscellaneous income, consistent with accounting records for each type of game which the operator is bound to keep.

(2) The terms and conditions for keeping accounting records referred to in paragraph 1 above shall be defined by regulation.

Section 211.- The tax on games of chance and games of entertainment shall be calculated at the rate of 15% applicable to the turnover made during the tax period and determined in accordance with Section 210 above.

The tax on games of chance and games of entertainment shall be deducted to obtain the taxable income. It shall not be exclusive of any other taxes provided for under the specifications which stipulate the obligations of the operator towards the Council in whose area of jurisdiction he operates.

Section 212.- Any persons liable to the tax shall be bound to make a declaration at the competent Taxation Service of the area in accordance with Section M. I of the Manual of Tax Procedures.

The tax shall be paid within fifteen days following the month of taxable operations using a special form available in taxation services.

Section 213.- Where the operator's head office is located abroad, he shall be bound to make a deposit at a bank. The amount of such deposit shall be determined by the Minister in charge of finance.

The Taxation Service shall verify the levying. To that end, officials of at least the rank of inspector and duly assigned for that purpose at any time shall have free access to gaming rooms and can check the proceeds at any time during business hours.

Section 214.- Any late payment or non-payment of the tax shall be punished in accordance with the provisions of the Manual of Tax Procedures.

Where the operator puts new machines in service during the year, he shall file an additional tax return form and pay the tax within 30 days following the event.

Section 215.- Upon presentation of a receipt, the competent taxation service shall issue a tax license for each machine according to its category. Such tax license shall be displayed visibly on the machine.

Any operator who fails to display the license shall be punished with a fine of 25,000 CFAF per machine.

Any operator who displays a license of a category lower than the required standard shall be required to pay the remainder of the tax. He shall be punished with a fine equivalent to 50% of the tax.

Any operator who displays a fake license and the offence is established by police report, shall be required to pay all arrears of the principal tax. He shall be punished with a fine equivalent to twice the amount of the above-mentioned tax, without prejudice to any legal action that may be taken against him.

DIVISION III: PROVISIONS GOVERNING GAMES OF ENTERTAINMENT AND SLOT MACHINES

Section 216.- The operation for profit of slot machines and appliances referred to in Section 208 of this Code shall be subject to payment of an annual flat-rate tax, non exclusive of the payment of other taxes, particularly the income tax and VAT. It shall be deductible when calculating the taxable income.

Section 217.- Whatever the tax system the tax shall be paid as follows:

- category 1: baby-foot: 20,000 CFAF per machine per year;
- category 2: pin-ball machines and video game machines: 40,000 CFAF per machine per year;
- category 3: slot machines: 100,000 CFAF per machine per year.

Section 218.- Any person liable to the tax shall be required to file a tax return between 1January and 31 March at the taxation service of the area where the machine is operated. The service shall assess the taxes due.

The tax shall be paid, at the latest, on 31 March of the same year.

Section 219.- A document bearing the identification of the machines shall be issued for each of them. Such document shall be displayed on the corresponding machines and mentioned on all declarations of payment.

Any operator who fails to display the tax license shall be punished with a fine of 25,000 CFAF per machine.

Section 220.- Late payment and partial or non-payment of such fine shall be punished in accordance with the provisions of the Manual of Tax Procedures.

Any change in the operation of equipment or machines including the assignment, disposal or transfer thereof must be declared to the competent Taxation Service within 15 (fifteen) days.

Failure to declare shall be punishable with a fine of 25,000 (twenty five thousand) CFAF.

CHAPTER II: TOURIST TAX:

Section 221.- A tourist tax is hereby instituted and based on overnight stays in accommodation facilities classified or not.

A tourist tax shall be payable by the accommodated persons and collected by the accommodation facility, namely hotels, motels, inns and furnished residence cum hotels.

The tourist tax shall be paid monthly at the taxation center managing the accommodation facility no later than the

15th day of the month following that when the transactions were carried out.

Section 222.- The rate of the tourist tax is fixed as follows:

- 5 star hotels: CFAF 5 000 per night;
- 4 star hotels: CFAF 4 000 per night;
- 3 star hotels: CFAF 3 000 per night;
- 2 star hotels: CFAF 1 000 per night;
- 1 star hotels and other unclassified accommodation facilities: CFAF 500 per night.
- Furnished establishments and other heels: CFAF 2000 per night.

Section 223.- The tourist tax revenue shall be allocated as follows:

- State: 35%;
- Special Appropriations Account for the support and development of tourism and leisure activities: 35%.
- Council in which the accommodation facility is located: 30%.

Section 224.- The procedures for tourist tax control, recovery and litigation shall be those provided for by the Manual of Tax Procedures.

CHAPTER III: SPECIAL INCOME TAX:

Section 225.- (1) Subject to international tax treaties, a special tax is hereby instituted at an overall rate of 15% on income paid to natural persons or corporate bodies domiciled out of Cameroon, by natural persons or corporate bodies based in Cameroon, the State or regional and local authorities, as:

- copyright related to all literary or artistic works regardless of the mode, value, genre or purpose, particularly literary works, musical compositions with or without lyrics, dramatic works, dramatic-musical works, choreographies works, pantomimes created for the stage, audiovisual works, drawings, paintings, lithography, etching or wood engraving and similar works of art, sculptures, bas-reliefs and mosaics of all types, architectural works both drawings and models as well as the building itself, tapestries and objects created through arts and applied arts like sketch or model just as the work itself, maps as well as scientific or technical graphic and plastic drawings and reproductions, photographic works including works produced by processes similar to photography;
- remunerations of all types for public procurement, excluding that for medicines or medical supplies, where the successful bidder is not domiciled in Cameroon;
- remunerations paid for the use or transfer of use of software, construed as computer applications and programs relating to the operation or functioning of an enterprise;
- the sale or leasing of exploitation licenses of patents rights, trademarks, processes and secret formulate;
- the leasing of, or right to use cinema films or TV programs and films;
- remuneration for supply of information relating to industrial, commercial or scientific experiments and the leasing of industrial, commercial or scientific equipment;
- remuneration for studies as well as technical, financial or accounting assistance;
- remuneration paid to companies engaged in drilling, research or assistance work on behalf of oil companies and, in general, specific services of any nature where such companies waive assessment on the basis of their returns, in accordance with the provisions of Sections 18 of this Code. In this respect, they must first obtain authorization from the Director General of Taxation;
  - audiovisual services with digital content;
  - generally, amounts paid abroad, as remuneration for various services provided or used in Cameroon;
  - remuneration for the provision of assistance, rental of equipment and

materials and all services rendered to oil companies, including the research and development phases;
- remuneration for assistance services, equipment and material rentals and any other services provided to oil companies, including the exploration and development phases.

(2) Holders of petroleum contracts and their subcontractors shall be exempted from the Special Income Tax, in the research and development phase with respect to remuneration for assistance, rental of equipment and material, and all other services rendered to them in connection with oil operations by foreign service providers, provided that the foreign service providers:

- do not have a permanent establishment in Cameroon;
- provide the said services at cost price.

The conditions for applying the above exemption shall be subject to annual checks by tax administration services.

(3) Notwithstanding the provisions of paragraph (2) above, holders of petroleum contracts and their subcontractors in the research and development phase may opt for the abated rate of the Special Income Tax of 3% provided for in section 225 c of this Code.

<u>Section 225 a (new)</u>.- (1) The ad-mission of an enterprise to the Special Income Tax regime shall not exempt it from the obligations of:

- paying taxes other than corporate tax to which it is truly liable;
- deducting taxes, duties and charges at source to which it is only legally liable.

(2) The enterprise admitted to the Special Income Tax regime must, among others:

- keep a supporting documentation that enables the tracing of the due tax base;
- mandatorily display on all its bills the gross amount of transactions, the Special Income Tax to be deducted at source and paid into the Cameroon Public Treasury by its customers and the net amount to be paid to it.

<u>Section 225 b</u>.- (1) Subject to international tax treaties, the rates of the Special Income Tax are set as follows:

- general rate: 15%;
- average rate: 10%;
- reduced rate: 3%.

(2) The general rate of the Special Income Tax applies to all remuneration subject to this tax:

The average rate of special Income Tax shall apply to remunerations for spontaneous supply of goods paid to non-resident companies having renounced taxing following assessment

The reduced rate of the Special Income Tax shall apply to:

- remunerations under a public procurement, the successful bidders of which are not domiciled in Cameroon;
- remunerations paid abroad for the provision of access to digital audio-visual services;
- remunerations for all kinds of services provided to oil companies during the research and development phases;
- remunerations for all types of services provided to oil companies during research and development phases;
- remunerations paid by maritime transport companies governed by Cameroonian law for the rental and chartering of ships, the rental of space on foreign ships and for commissions paid to port agents abroad;
- commissions paid to money transfer companies located abroad, after deduction of the share due local partners.

The super reduced rate of SIT applies to:

- remunerations paid by shipping companies governed by Cameroonian law for the rental and chartering of ships;
- remunerations paid by shipping companies governed by Cameroonian law for the rental of space on foreign vessels;
- remuneration paid by shipping companies governed by Cameroonian

law as commissions paid to port agents abroad.

Section 226.- The above proceeds shall be taxable where they are paid by natural persons or corporate bodies situated in Cameroon or by the State or regional and local authorities to persons having no permanent or fixed establishment in Cameroon, or where they are factored as deductible charges for the calculation of the results of the payer. Where deduction of such proceeds as charges is not allowed, they shall be considered as distributed profit and taxed accordingly.

Section 227.- The basis of assessment shall be the gross amount of the levies and remuneration referred to above. Gross amount shall mean various kinds of remuneration including the special income tax.

Where the acquisition of an asset involves the direct or indirect intervention of the supplier for its installation, commissioning or any other service necessary for its operation, the purchaser shall produce all supporting documentation, in particular the contract, purchase invoices and technical documentation, making it possible to distinguish the price of the asset from that of the related services.

In the absence of this clarification, the price of the services shall be deemed to correspond to 25% of the value of the property, and the related SIT shall be calculated on this basis.

Section 228.- The tax on royalties and other remuneration shall be deducted from the taxable sums by the establishment concerned, which shall be responsible for paying the proceeds into the Treasury. Payment of this tax shall be made on or before the 15th day of the month after the act constituting liability at the competent taxation office.

Penalties for inadequate return, failure to make a return and late payment, shall be those provided for in the Manual of Tax Procedures. The provisions of the said manual shall also lay down conditions for collection of additional charges and dispute settlement procedures.

CHAPTER IV
MONEY TRANSFER TAX

Section 228 a: A tax on money transfer transactions is hereby instituted.

A. Scope of application

Section 228 b: The following shall be liable to the money transfer tax:

- money transfer transactions carried out through any means or technical medium leaving a trace, in particular by electronic means, mobile telephony, telegraph or by telex or fax, with the exception of bank transfers and transfers for the payment of taxes, duties and levies;
- cash withdrawals following money transfer to financial institutions or telephone companies.
- withdrawals made from electronic gambling and entertainment platforms.

B. Basis of assessment

Section 228 c: The basis of assessment of the money transfer tax shall be the amounts transferred or withdrawn.

C. Tariff

Section 228 d: (1) The tax shall be assessed at the rate of 0.2% of the amount transferred or withdrawn. This rate shall be increased to 1% for money transfers and withdrawals made via electronic gambling and entertainment platforms.

(2) For postal money transfer transactions, the amount of money transfer tax shall be capped at the amount of the commission received by the service company.

(3) Notwithstanding the provisions of Section 228 b of this Code, the amount of money transfer tax resulting from the application of the proportional rates provided for in paragraph (1) of this section shall be increased by a specific duty of CFAF 4 per transaction, including those carried out by credit and microfinance institutions.

D. Methods of Payment

Section 228 e: (1) The money transfer tax shall be collected by the service providers and paid in monthly to their relevant tax centre no later than the 15th of the month following that in which the transactions were carried out.

(2) The procedures for controlling, collecting and litigating the money transfer tax shall be those provided for in the Manual of Tax Procedures.

CHAPTER V: ENVIRONMENTAL TAX ON SOME PRODUCTS WITH A HIGH ECOLOGICAL FOOTFRINT

Section 228 f: An environmental tax shall be instituted on some products with a high ecological footprint, referred to as the environmental tax.

A. Scope of application

Section 228 g: The following imported or locally manufactured products shall be subject to environmental tax:

- cement, concrete reinforcement steel, tiles and ceramics;
- non-returnable packaging ;
- plastic products.

B. Rates

Section 228 h: The environmental tax rates shall be set as follows:

- **2 (two)** thousand CFA francs per tonne of cement;
- **5 (five)** thousand CFA francs per tonne of reinforcement steel;
- 10 000 (ten) thousand CFA francs per tonne of tiles and ceramics. This rate is increased to 15 (fifteen) thousand CFA francs in case of imports;
- 15 (fifteen) thousand CFA francs per non-returnable packaging unit for soft drinks and non-alcoholic beverages;
- 5 (five) thousand CFA francs per non-returnable packaging unit, capped at 5 % of the value of the product for all other packages;
- 5 % of the value, capped at 1 (one) thousand CFA francs per unit for all plastic products other than packages.

C. Methods of payment

Section 228 i: (1) The environmental tax shall be payable by importers and producers of the products referred to in Section 228 (i) above.

(2) It shall be calculated and collected as follows:

a. regarding local production: the tax is collected by the producing companies and paid monthly to the tax office of the relevant tax centre, no later than the fifteenth (15th) day of the month following that in which the taxable transactions were carried out;

b. concerning imports: the tax is collected by the customs authorities in accordance with the same rules and subject to the same guarantees and penalties as customs duties.

(3) The environmental tax audit, collection and disputes procedures shall be those set out in the Book of Tax Procedures.

PART V: SPECIAL TAXES

CHAPTER I: SPECIAL TAX ON PETROLEUM PRODUCTS

Section 229.- (1) A special tax on the sale of the following petroleum pro- ducts is hereby instituted:

- premium grade petrol;
- gas-oil;
- industrial natural gas, excluding gas purchased by electricity generation companies intended for the public and gas intended for local production of liquefied petroleum gas.

(2) Refineries and oil storage enterprises using petroleum products for their own operations, or for other needs shall also be liable to special tax on petroleum products.

Section 230.- The special tax on petroleum products shall be payable by companies which distribute taxable products.

Section 230 (a).- Diplomatic and consular missions, international organizations and their staff of diplomatic rank shall be exempt from the special tax on petroleum products, within the limit of quotas set by regulation, subject to a formal reciprocity agreement or headquarters agreement.

Section 231.- The rates of the special tax on petroleum products shall be as follows:

- 110 CFAF per liter of premium grade petrol;
- 65 CFAF per liter of gas-oil;
- 60 francs per cubic metre of industrial natural gas;
- 50 francs per cubic metre of industrial gas.

Section 232.- The taxable event for the special tax on petroleum products shall be:

- removal of taxable products at the Cameroon Oil Storage Company (SCDP);
- delivery by the National Oil Refining Corporation (SONARA) of taxable products not transiting through the SCDP warehouse;
- the introduction of taxable products on the territory, as defined in the CEMAC custom code, with regard to imports;
- first use of petroleum product in the case of self deliveries;
- supply of taxable products by natural gas production or distribution companies.

Section 233 (new).- The special tax on petroleum products shall be deducted at source by the SCDP during removal by distributing companies and by the National Refining Company SONARA for its deliveries to natural persons other than distributing companies, and by companies that produce or distribute industrial natural gas for supply to local companies.

Section 234 (new).- The proceeds of the Special Tax on Petroleum Products shall be partially allocated to the Road Fund in accordance with the annual ceiling set by the Finance Law.

However, the proceeds of the Special Tax on Petroleum Products levied on industrial natural gas shall be fully allocated to the State.

Section 235 (new).- The special tax on petroleum products collected by SCDP, SONARA or industrial natural gas production or distribution companies shall be transferred to the tax collector with territorial competence.

Section 235 a: (1) Marketers who fail to pay the Special Tax on Petroleum Products within the prescribed time-limits shall immediately be suspended from collecting petroleum products from the companies in charge of managing petroleum depots or refining, and such information shall be transmitted to tax authorities to establish the tax debt vis-à-vis the actual taxpayer.

2) For the implementation of paragraph (1) above, the companies in charge of managing oil depots or refining are bound to transmit to their tax centres, within five (5) days following the deadline for payment of the Special Tax on Petroleum Products, the list of defaulting marketers and the corresponding amounts.

Section 235 b: Notwithstanding the provisions of Article 233 of this Code, the debt shall be established by Collection Notices and the forced recovery measures provided for by the Tax Procedures Manual initiated against marketers, who are actually liable for the Special Tax on Petroleum Products within the framework of the implementation of the joint payment procedure.

Section 235 c: - Any subsequent collection of products made in violation of the provisions of paragraph (1) of Section 235a above shall result in the issuance of a Collection Notice to the company in charge of managing oil depots or refining, if necessary in its capacity as legal debtor, and the immediate implementation of forced recovery measures against it.

Section 236.-The share of the proceeds of the Special Tax on petroleum Products allocated to the Road Fund shall be deposited by the Treasury in a special account known as "Road Fund", opened in the Bank of Central African States (BEAC).

Section 237.- (1) The special tax on petroleum products collected by SCDP, SONARA, taxable product importers or industrial natural gas production or distribution **companies** shall be transferred monthly no later than the twentieth (20th) of each month for transactions carried out during the previous month, on presentation of the tax return made by the taxpayer.

Deleted.

(2) *Deleted*.

(3) *Deleted*.

Section 238.- The penalties and disputes arising from the special tax on petroleum products shall be governed by the provisions of the Manual of Tax Procedures.

CHAPTER II:
PROVISIONS RELATING TO THE MINING SECTOR

Section 239 (new).- The assessment, collection and inspection of mining taxes, duties and royalties shall exclusively fall under the jurisdiction of the tax authority.

Section 239 a.- The rates of mining duties, taxes and royalties shall be those fixed by the Mining Code.

Section 239 b.- (1) The fixed charges for the grant, renewal or transfer of all mining titles, annual area royalties, the ad valorem tax, the extraction tax on quarry products and the royalties on the production of spring water, mineral water and thermal spring water shall be paid exclusively to the competent tax collector.

However, the ad valorem tax on mineral substances and the corporate tax payable by companies engaged in less or semi-mechanized non-industrial mining may be collected in kind by deduction from the gross production of the said companies. An order of the minister in charge of finance shall determine the conditions for recording of collections in kind.

The Minister of Finance may, as appropriate, authorise any body or entity in charge of supervising mining activities to assist the tax authorities in collecting in kind of the ad valorem tax on mineral substances and corporate tax.

The terms and conditions of application of this authorisation are defined jointly by the Ministers in charge of Finance and Mines.

(2) The annual area royalties owed by mining title holders shall be paid within sixty (60) clear days from the date on the assessment statement prepared by the competent services of the Ministry in charge of mines for the first year. From the second year, the annual area royalties shall be paid spontaneously by the taxpayer latest 31 January.

In case of failure to pay within the prescribed timeframe, the tax authority shall, on the basis of the area stated on the title, establish the State's claim and initiate legal proceedings in accordance with the provisions of the Manual of Tax Procedures.

(3) The services of the Ministry in charge of mines shall be bound to provide the tax authority with information on the quantities of minerals extracted monthly by each mining company no later than the 5th of every month.

(4) Penalties for failure to comply with the obligation to file returns and pay the extraction tax on quarry products, area royalties, the ad valorem tax and the royalties on water production shall be those provided for by the Manual of Tax Procedures.

Section 239c.- (1) No one shall be authorized to export mining products or obtain a mining title renewal or transfer without first paying the taxes and duties provided for by the laws in force.

(2) Compliance with the payment obligations referred to in Section 239 (1) above shall be established by a valid debt clearance certificate.

Section 239 d.- The proceeds from the *ad valorem* tax on spring water, mineral water, thermal spring water production and extraction tax on quarry products shall be broken down and allocated as follows:

- 25% as compensation to the population affected by such activity for the benefit of the relevant council;
- 10% as cost of assessment, recovery and support for the technical monitoring and control of the activities concerned, broken down as follows: 50% for the tax authority and 50% for the Ministry in charge of mines.
- 65 % for the Public Treasury.

Section 239 e.- Pursuant to the rules of the Manual of Tax Procedures, the tax authority shall inspect mining taxes and duties. With the support of Ministry in Charge of mines.

Section 239 f.- The rules applicable in case of mining tax disputes shall be those laid down by the Manual of Tax Procedures.

Section 240 (new).- Where the mining title is not used by the holder of the mining permit, the annual area royalty shall be jointly paid by the holder and the actual user of the mining permit.

SECTION 240 a: (1) Quarries declared to be of public utility shall be liable to the taxes, duties and fees provided for under the tax legislation, for all commercial operations they carry out outside the scope and needs strictly related to the project that justified their classification.

(2) The special benefits or exemptions granted for the implementation of the main project shall cover only operations that are directly and exclusively necessary for the execution of the said project. They shall not extend to the commercial operations referred to in paragraph (1), which remain taxable under ordinary law.

CHAPTER III: FORESTRY TAXES

Section 241.- Pursuant to the provisions of Law No. 94/1 of 20 January 1994 to lay down forestry, wildlife and fisheries regulations, the rate or amount, as the case may be, of forestry taxes, duties and royalties shall be fixed in accordance with the provisions of the following Sections.

DIVISION I: FELLING. TAX:

Section 242.- The felling tax shall be calculated on the basis of the FOB value of logs from logging permits of any kind, marked, unmarked and abandoned logs, and even logs from unauthorized logging operations, including communal and community forests.

Felling tax rates shall be set as follows:

- **2.5%** for forestry companies that can prove that they have been duly certified by the competent authorities in terms of sustainable forest management;
- 3% for companies with other forms of certification;
- 5% for forestry companies with no certification.

Companies that do not hold a logging permit and that purchase log timber on the local market shall be jointly liable to pay the felling tax with the logger. In the absence of proof of payment of the felling tax by the logger, the tax shall be withheld at source by the purchaser when paying the invoice and remitted to the tax office of the company concerned no later than the 15th of the following month.

The felling tax due for a given month shall be payable on the 15th day of the month following the felling of a tree.

Failure to pay the felling tax due shall result in the suspension of exports by the logger in question.

The terms and conditions of assessment, collection and recovery ~~as well as control of this tax shall be specified by decree.~~

Section 242 a.- The felling tax return shall include the corresponding DF10 under pain of the fine provided for in section M 99 of the Manual of Tax Procedures.

DIVISION II: ANNUAL FORESTRY ROYALTIES

Section 243.- (1) Annual forestry royalties shall be assessed on the basis of the area covered by all logging licenses, including sales of standing volumes granted on the sites assigned to specific development projects and made up of the minimum price and the financial bid.

The minimum price shall be fixed as follows:

- *sales of standing volume : 2,500 F/ha;*
- *concessions: 1,000 CFAF /ha.*

Annual forestry royalty shall be paid:

- upon signing the logging agreement for concessions;
- upon signing of the order to grant for sales of standing volume.

Annual forestry royalties shall be paid in 3 (three) equal installments in the following deadlines:

- *15th march for the first installment;*
- *15th June for the second;*
- *15th September of each year.*

When the 1st attribution of a forestry exploitation license is issued after the 30th of June, the annual forest royalty is assessed on a prorata temporis basis and paid 45 days after the deposit of the caution.

The annual forestry royalty may also be paid monthly no later than the 15th of each month.

The proceeds of annual forestry royalties shall be allocated as follows:

- State ……………....…… 50%
- Council…………..…..50% thus :

- Support to recovery: 10% of the 50%, that is 5%;
- Centralization at FEICOM: 36% of the 50%, that 18%;
- Councils on which the logging license is situated: 54% of the remaining 50%, that is 27%.

One quarter (6.75%) of the council of location's share shall be allocated exclusively to development projects run by local populations.

The conditions for controlling and collecting such royalties shall defined by regulation.

(2) The portion paid to FEICOM shall be shared among sub-divisional councils and councils.

(3) City councils are not included in the sharing of the proceeds of annual forestry royalties.

DIVISION III:
EXPORT SURTAX AND FACTORY ADMISSION TAX:

Section 244.- An export surtax in replacement of the graduated surtax on the export of some undressed timber species is hereby instituted in accordance with the provisions of the forestry law.

A - EXPORT SURTAX:

The export surtax rates are fixed as follows:

- Ayous……… 5,000 CFAF /m^3;
- First grade promotion timber, other than Ayous.. 4,000 CFAF /m^3;
- Second grade promotion timber........ 1000 F/m^3.

These rates may be the ceilings in a competitive procedure for the award of quotas in terms of volume for the exportation of certain timber species.

The conditions for implementing these provisions shall be laid down by regulation.

B –REGENERATION TAX:

Section 244 a.- (1) The rates of the regeneration tax on non-timber forest products and special products shall be fixed as follows:

- Ebony wood (diospyroscrassiflora hier): CFAF 100/kg;
- Pygeum bark (prunus Africana): CFAF 25/kg;
- Other products: CFAF 10/kg.

(2) The regeneration tax shall be due upon allocation of a quota for the exploitation of non-timber forest products and special products.

The regeneration tax shall be paid in four (4) equal instalments as follows:

- 15 March for the first instalment;
- 15 June for the second;
- 15 September for the third;
- 15 December for the fourth.

(3) Where the allocation of an exploitation quota for non-timber forest products and special forest products occurs after 30 June, the regeneration tax shall be assessed pro rata temporis and shall be paid within forty-five (45) days following the date of signature of the decree allocating an exploitation quota.

DIVISION IV: GUARANTEES

Section 245.- (1) A bank guarantee is hereby instituted covering both the tax and environmental obligations prescribed by the laws and regulations in force, and the obligations laid down in the specifications and the management plans.
The security shall be deposited in a first class bank approved by the monetary authority within 45 (forty five) days with effect from the date of notification of its selection for sale of standing volume, or approval by the competent authority in the granting of concessions, or with effect from the first day of the financial year for old securities.
From the 1st July 2000, all logging licenses that are valid or are in the process of being granted shall be required to provide the security.
However, companies falling under specialized management units shall be exempted from provision of guarantee, subject to the fulfilment of their tax obligations certified by the Director General of Taxation.
Failure to produce a bank security within the prescribed time limit shall entail in addition to the application of the fixed tax fine provided for in sect M104 of the Manual of Tax Procedures, administrative sanctions ranging from suspension to withdrawal of the license.
However, taxes, duties and fees shall continue to be paid pending the decision of the competent authorities.
Its amount shall be equal to one time that of the annual forestry royalty for the license concerned.
Depending on cases, total or partial release can be obtained proportionally to the paid amount of forestry royalties.
It shall be provided each year within the same time-frame as from the first day of the financial year concerned.
However, where the security is entirely or partially provided within a given financial year, the logger shall be bound to make it available within 30 (thirty) days, with effect from the date of notification of the provision of the security, subject to the suspension of the logging license concerned. Where the security is not provided within 30 (thirty) days following suspension of the license, the latter shall automatically be cancelled.
In accordance with Section 69 of Law No. 94/1 of 20 January 1994 to lay down forestry, wildlife and fisheries regulations, guarantee is provided by way of payment into the Treasury.
However, security maybe in the form of a guarantee granted by a bank governed by Cameroonian law and approved by the monetary authority.

(2) The terms and conditions for implementing this section shall be defined by regulation.

DIVISION V: OTHER DUTIES AND TAXES

Section 246.- (1) The transport tax shall be 100 CFAF /ha.
(2) The selling price of forest products shall be fixed as follows:

a) Felling license; the price shall be fixed on the basis of the FOB value per species.

b) Poles; the price shall be fixed as follows:

- less than 10 cm^3 : …. 10 CFAF per pole;
- from 10 to 20 cm^3: … 30 CFAF per pole;
- more than 20 cm^3: ….. 50 CFAF per pole.

c) Building timber (posts); the price shall be fixed as follows:

- less than 30 cm^3 : ... 2,000 CFAF;
- from 30 to 40 cm^3: .. 3,000 CFAF;
- from 40 to 50 cm^3 ... 4,000 CFAF;
- more than 50 cm^3: ... 5,000 CFAF.

d) Firewood; the price shall be fixed as follows:

- 1 m^3 of firewood: 65 CFAF;
- 1 m^3 under State management: 650 CFAF.

e) Secondary forest products and special species, the price shall be fixed at 10 francs/kg.

f) For drift timber washed ashore, the price shall be fixed on the basis of the FOB value of each species.

Section 247.- The assessment and conditions for controlling and collecting the royalties, taxes, surtaxes, price and security provided for above shall be determined by regulation.

Section 247 a.- (1) Nobody shall be authorized to export processed timber, logs and non-timber, special and medicinal forest products unless he/she first provides evidence of the payment of all the taxes and duties required in the exploitation of these products. They include:

- ordinary law taxes and duties, including those for which the operator is only legally liable;
- internal forestry taxes, notably the annual forestry royalty, the felling tax, the export surcharge and the forest regeneration tax;
- the regeneration tax for non timber, special and medicinal forest products.

(2) Deleted;

(3) In any case, the export of the aforementioned products may only be authorized on presentation of a tax compliance certificate duly issued by the tax authorities.

The same shall apply to the local sale of the above-mentioned products by farmers' associations and common interest groups.

In any case, the local purchase of the above-mentioned products from farmers' associations and common interest groups shall make the purchaser jointly liable for the payment of any taxes, duties and fees that may be due by the latter.

(4) Exporting companies shall be jointly and severally liable for the payment of any taxes, duties and charges which may be payable by the holder of the forestry title from which the products referred to in Section 247 (1) above are derived.

CHAPTER IV: TAX REGIME FOR PUBLIC SERVICE CONCESSIONS

DIVISION I: GENERAL PROVISIONS

Section 248.- This chapter lays down the tax regime for public service concessions. In this connection, it shall define the special tax and accounting rules governing holders of public service and infrastructure concessions.

Section 249.- The concession holders referred to above shall, subject to the provisions of this chapter and those laid down in the specifications, be governed by the tax rules defined under ordinary law.

Section 250.- (1) The assessment of taxable products and the deduction of operating costs shall be carried out in accordance with the accounting plan applicable to public service concessions.

(2) The accounting plan referred to above shall be adopted by regulations.

DIVISION II: REGIME FOR TAXABLE PRODUCTS

Section 251.- The termination penalty paid by the licensee to the concession holder shall be a taxable product only in as much as it is not a reimbursement of expenses or investment.

Section 252.- (1) Deficiency subsidies, as well as operating and working capital subsidies shall be taxable under conditions defined by ordinary law.

(5) Non-renewable equipment subsidies paid on non-renewable property shall not affect the taxable output of the concession holder.

(6) Non-renewable equipment subsidies paid on renewable property, technical lifespan of which requires that it be renewed at least once during the concession penalty, shall not be part of taxable products. They shall be paid in a linear manner on depreciation.

(7) Renewable equipment subsidies shall be taxable by equal installments over the period of depreciation of the property they financed and, under the same conditions, as concerns the last renewed property over the period of the concession still to be covered.

DIVISION III: RULES SPECIFIC TO CHARGES

Section 253.- (1) The charges payable may be transferred temporarily into an account for fixed charges to the tune of the surplus where, during the first 3 (three) financial years, they are in excess of the products sold.

(2) The nature and list of charges payable under this regime shall be defined in the specifications of the concession or any other document negotiated by both parties.

(3) The authorization granted for charges payable shall be submitted for approval to the tax authority which is allowed 1 (one) month with effect from the time of receipt of the request for guarantee to make a decision. Beyond this time-frame, the authorization shall be considered granted.

(4) As from the fourth financial year, fixed charges payable may, pursuant to the provisions of Subsections 1, 2 and 3 above, be considered as depreciation over the 6 (six) financial years that follow.

(5) During the concession period, where a concession holder is made to make new investments or restructuring that require substantial expenditure, he may once again benefit from this regime upon presentation of a file comprising agreements concluded between him and the conceding authority and defining in detail the nature and amount of investments, as well as expenditure to be covered. The file shall be submitted to the tax authority which is allowed 1 (one) month to make a decision. Beyond this time-limit, the approval shall be considered granted.

(6) Under no circumstance shall the payment of temporarily fixed charges benefit from the tax regime for depreciation deemed to be deferred at the time of a deficit.

Section 254.- (1) The concession holder shall be subjected to all the provisions of ordinary law relating to the depreciation of depreciable property.

(2) Notwithstanding the provisions of Subsection 1 above, the depreciation of the last renewable property which may be returned free of charge at the end of the concession to the conceding authority shall fall under deductible charges.

(3) Subsequent depreciation of renewable property ceded back free of charge to the conceding authority shall not fall under deductible charges.

(4) The concession holder may, over a period of 15 (fifteen) years or—the duration of the concession, where such duration is less than 15 (fifteen) years, pay the entry fee to the conceding authority, if need be.

Section 255.-(1) Besides payments made for depreciation, the concession holder may deduct from his taxable profits an amount for depreciation of renewable depreciable property conceded by the concession holder. Such property must be freely returned to the conceding authority at the end of the concession.

(2) The depreciation shall be assessed on the procurement value or the selling price of the first estate acquired or built-on which requires renewal.

(3) It shall be in the form of a linear grant payable over the entire duration of the concession.

(4) The system of depreciation deemed to be deferred at the time of deficit, and applicable to the payments for depreciation referred to in Section 254 above, shall also be applicable to depreciation.

(5) However, the depreciation of the said items shall be applicable only within the limits of the balance between the estimated cost of replacing property at the end of the financial year in which it was granted, and its selling price with a progressive coefficient.

Section 256.- (1) The items budgeted by the concession holder at the time of renewing renewable property shall fall under charges deductible from taxable profits, without requiring their being included in the output at the time of renewing the property concerned.

(2) Provided that the amount of deductible items may not exceed the difference between the estimated cost of replacing the property at the end of the financial year in which it was granted and the selling price of the property which has increased in value due to the items used up to that time.

Section 257.-(1) Deductible charges shall also be applicable to:

- public land occupancy fees and any other fees or rents paid to the conceding authority;
- sums paid as rents on personal property and real estate.

(2) However, the restrictions referred to in Section 7 A (2) of this Code shall not be applicable where the property owner is a partner of the concession holder and has rented out the said property to the latter

(3) The termination penalty payable to the conceding authority by the concession holder shall fall under deductible charges paid by the latter only in so far as they are not considered as damages.

Section 258.- *Deleted.*

Section 259.- The concession holder shall be authorized to enjoy the right of reduction of the value added tax on fixed property belonging to the conceding authority but formed and financed by the concession holder and required to be returned to the conceding authority at the end of the concession.

Section 260.- The contracts on public service concessions shall be registered free of charge, but liable to the graduated stamp duty.

Section 261.- The conditions for implementing the tax regime for public service concessions shall be specified by regulation.

CHAPTER V: TAX REGIME FOR INVESTMENTS

DIVISION I: GENERAL PROVISIONS

Section 262.- *Deleted.*

DIVISION II: INDUSTRIAL FREE ZONE AND SPECIAL FREE ZONE REGIME

Section 263.- (1) Natural and legal persons who carry out activities under the free zone regime as stipulated by Ordinance No. 90/1 of 29 January 1990 shall be granted the following tax benefits:

- total exemption, over the first ten years of operation, from direct taxes and duties in force or to be created, as well as registration and stamp duties, whatever their nature ;
- as from the eleventh year of operation, approved enterprises shall continue to enjoy the benefits provided for above, save as concerns the tax on industrial and commercial profits of which they pay at an overall rate of 15 %.

The tax benefits determined in pursuance of this Code shall be granted upon payment of an amount equal to:

- 25% of the wage bill of employees of Cameroonian nationality during the financial year;
- 25% of investment expenditure made over the financial year.

In the event of a change of the rules governing the basis of assessment of the tax on industrial and commercial-profits, the new provisions shall be applicable to approved undertakings only if such provisions are more favorable to them.

(2) The deficit incurred over the exemption period referred to above shall be considered as charges of the following financial years and deducted from the profits made during the said financial years without limiting the time-limit for carrying forward.

Free zone enterprises shall not be subjected to the obligation to plough-back their special reserve from the re-assessment of fixed assets as stipulated by the laws and regulations in force.

Any sale of fixed assets within the free zone shall be exempted from transfer fees.

Any purchase or sale of currency by a free zone enterprise shall be exempted from any tax on currency transfer.

(3) Pursuant to the provisions of Section 127(8) of this Code, the transactions carried out by undertakings approved under the free zone regime shall be liable to value added tax.

(4) The regime applicable to the free zone shall also be applicable to special free zones.

(5) Besides the customs exemptions defined by the provisions of ordinance No. 90/1 of 29 January 1990, all the imports of a free zone undertaking, namely capital goods, office equipment and furniture, building materials, tools, spare parts, raw materials, intermediary products, and consumer goods shall be exempted from all present and future direct duties and taxes. Private cars and fuel entering into the zone shall not benefit from this exemption.

(6) Besides the customs exemptions defined under the Ordinance referred to above, all the exports of a free zone undertaking shall be exempted from all present and future direct duties taxes, with the exception of VAT payable at the rate of zero percent.

PART VI
REGISTRATION, STAMP DUTY AND TRUSTEESHIP

SUB-PART I:
HARMONIZED LEGISLATION IN THE CEMAC ZONE

CHAPTER I:
REGISTRATION FEES AND APPLICATION THEREOF

DIVISION I:
GENERAL PROVISIONS

Section 264.- Registration fees shall be charged in accordance with the rates and regulations laid down in the following Sections.

Section 265.- Registration fees shall be fixed, proportional, progressive or digressive, depending on the nature of the instruments and transfers liable there to.

Fees shall be assessed on the external form of the instruments or the substance of their provisions, without regard to validity or any ground for subsequent rescission or annulment, subject to the exceptions provided for by the present Code.

Section 266.- Fixed fees shall be charged on instruments which contain no obligation or order in respect of money or securities or transfer of ownership, usufruct or enjoyment of personal property or real estate, and in general, on all other instruments which though exempted from registration fees, are voluntarily subjected to this formality.

Section 267.- Proportional, progressive or digressive fees shall be charged on the transmission of ownership, usufruct or enjoyment of personal property and real estate either by gift or on death, on instruments which contain obligations, discharges, orders, allotments and ranking of creditors or payments in respect of money and securities.

For the basis of assessment of the fees, fractions of a thousand francs shall be charged as a thousand francs.

They shall be charged at the rates laid down in Sections 339 *et seq.* of this Code.

DIVISION II: DEPENDENT AND INDEPENDENT PROVISIONS

Section 268.- When any civil, judicial or extrajudicial instrument contains two or more provisions which are independent or do not necessarily arise one from another, a separate registration fee shall be charged on each clause according to its kind. Separate fees shall also be charged when one and the same provision concerns two or more persons with distinct and independent interests.

When an instrument contains two or more dependent clauses charged at different rates, assessment shall be based on the clause subject to the highest fee.

However, for the transmission of property, a receipt or obligation embodied in the instrument in respect of all or part of the contract price shall not be liable to a separate registration fee.

Section 269.- Independent clauses not subject to the proportional fee shall not be liable to more than one fee as provided in the preceding Section.

When an instrument contains several independent provisions liable to proportional and fixed fees respectively, the fixed fee shall not be charged, provided that the minimum charge shall be the highest fixed fee when the amount payable in respect of the proportional fees is lower.

DIVISION III: REGISTRATION FEES FOR ORIGINALS KEPT BY THE AUTHORITY OR DELIVERED TO THE PART IES CONCERNED AND OTHER ORIGINALS OR DECLARATIONS

Section 270.- Private instruments and those of administrative services, notaries, and judicial or extrajudicial services, as well as declarations shall be registered on the originals.

Section 271.- No registration fee shall be charged for extracts and copies of instruments which have to be registered on the originals.

DIVISION IV: MINIMUM FEES

Section 272.- The minimum fee may not be less than 2,000 francs for the registration of instruments and transfers of a value not equal to 2,000 francs paid as the proportional, progressive or digressive fees.

However, the minimum fees for judgments and orders shall be fixed by each State.

DIVISION V: SIMULTANEOUS TRANSFER OF PERSONAL PROPERTY AND REAL ESTATE: SINGLE PRICE

Section 273.- Where a deed of transfer of ownership or usufruct covers both personal property and real estate, the registration fee shall be assessed on the full price, at the rate for real estate, unless a separate price is stipulated for the personal property and the latter is listed and valued item by item in the contract.

DIVISION VI: COMMON PROVISIONS

Section 274.- For the purpose of the time-limits laid down in Sections 276 to 279 for the registration of instruments and declarations, the date of the instrument, transfer or commencement of estate settlement proceedings shall not be taken into consideration. Months shall be deemed to run from one day of one month to the same day of the next month, the number of days not being taken into account.

Section 275.- Tax Collection Offices shall be open to the public during working hours in each State, every day except Sundays and days deemed to be national public holidays.

The time-limits set by this Code shall be extended until the following working day where the last expiry day falls on a legal non-working day.

CHAPTER II:
TIME-LIMITS FOR REGISTRATION AND DECLARATION

Section 276.- The time-limits for registering instruments shall be determined as follows:

1) From fifteen (15) days to one (1) month with effect from their date for:

a) Instruments of notaries, registrars, bailiffs, valuers or their alternates, and instruments of all agents authorized to make writs and reports, including settlements and bonds in administrative matters, whether or not taking the place of reports;

b) Writes;

c) Administrative instrument recording agreements between the State or corporate bodies of the State and private persons, in particular purchases, sales, leases, contracts, surety-bonds and concessions. The instruments and reports on capture and ships drawn up by law officials of the Navy.

This time-limit may be extended to 3 (three) months where there is no Tax Collection Office at the place of residence of the law official or civil servant who draws up the instruments.

2) From 1 (one) to 3 (three) months with effect from their date for private instruments recording synallagmatic agreements, in particular leases, sub-leases, transfers thereof, cancellations, subrogations, sales, exchanges, contracts, apportionment, the formation, extension and dissolution of companies, transfer of claims and insurance contracts.

3) Within 6 (six) months of their date for authentic instruments and private instruments concluded outside a CEMAC State, transferring ownership, usufruct or enjoyment of real estate or business situated in such State or forming companies having their head office in that State.

4) From 3 (three) to 6 (six) months with effect from the death of the testator for wills, whether or not deposited with a notary, at the request of heirs, donors, legatees, or executors thereof.

However, for instruments whose validity is subject to signature or acceptance by the administration, the above time-limit shall apply as from the day when the party concerned is notified of such signature or approval; the onus of proof of this date shall lie with the debtor.

Section 277.- (1) Failing written conventions establishing them, transfers by gift and conventional or legal transfers of ownership and enjoyment of real estate and businesses shall be declared in detail and with estimates which are deposited with the Tax Collection Office of each State within the first three months of the financial year in force.

(2) The declaration shall apply to the period from 1st January to 31st December of the preceding financial year.

(3) It shall be submitted by the person who is the owner or usufructuary of the leased property on the first day of the time-limit laid down above, whatever the transfers of ownership effected during the year.

(4) In the event of sub-letting, further declarations shall be filed by each sublessor, main lessee or transferee.

(5) A separate declaration shall be filed for each property, stating:

- the full name, domicile and occupation of the owners or usufructuaries of the property during the period of assessment;
- the full name and occupation of the various lessees having occupied the property during the period of assessment, and the composition of the premises let to each of them;
- for each lessee, the rent, expenses included, for the period in question;
- the starting date of each lease, and the term thereof ;
- the total rent charges included, for all lessees during the period of assessment.

(6) The declarant shall be liable for payment of the fees due, which he may claim from the lessee. However, the parties shall be jointly liable for payment of the ordinary fee and if need be, penalties.

Section 278.- The provisions of the preceding Section shall not apply to verbal leases of residential buildings whose annual rents do not exceed 120,000 francs.

Section 279.- Transfer on death of personal property and real estate situated in a State, and of intangible property situated abroad when the domicile of the deceased is in that State must be declared in detail and in estimate at the relevant Tax Collection Office within one year of the start of the succession.

CHAPTER III: BASIS OF ASSESSMENT OF PROPORTIONAL, PROGRESSIVE AND DEGRESSIVE FEES

Section 280.- The value of ownership, enjoyment and usufruct of any kind of property or money serving as basis of assessment of progressive and digressive fees shall be determined in accordance with the sections below.

DIVISION I: LEASES AND RENTALS

Section 281.- For leases, sub-leases, transfers and retrocessions, extensions of leases of personal property, businesses and real estate, the basis of assessment shall be determined by the stated annual price together with the charges imposed on the lessee and normally paid by the lessor.

For fixed term leases, in particular, long-term leases, the value shall be determined by the stipulated annual payments together with the charges imposed on the lessee.

For perpetual annuity leases and leases for indefinite terms, the value shall be determined by a capital sum being twenty times the annuities or annual price with charges.

For leases for life, the value shall be determined by a capital sum being ten times the annual price together with the charges.

When payment on a lease is stipulated in kind or on the basis of the price of certain products, the fee shall be assessed according to the date of the contract or at the beginning of each specific period as estimated by the parties.

DIVISION II: MARRIAGE CONTRACTS

Section 282.- For marriage contracts, the fee shall be assessed on the net amount of the personal contributions of the parties.

DIVISION III: CREDITS

Section 283.- For fixed term credits, and cessions, transfers and instruments relating thereto, the value shall be the capital sum stated in the instrument as being the subject thereof.

DIVISION IV: LEGACIES

Section 284.- For legacies, the fee shall be assessed on the value of any money or property items bequeathed.

Section 285.- For the assessment of and payment of fees on the transfer personal property and real estate of any nature, the value of such property shall be an estimate of the real market value on the date of exchange, based on the estimated value presented by the parties or a valuator.

Where the property is of unequal value, the exchange fee shall be assessed on the lower value; transfer fees shall be payable on the balance.

Where, within five years preceding or following the exchange or transfer of the real estate, the said property is auctioned by court order or sold voluntarily with outsiders admitted, the fees may not be assessed on a value less than the auction price of including all capital charges, unless it is proved that the composition of the property has meanwhile undergone modifications capable of changing its value.

DIVISION V: JUDGMENTS

Section 286.- For instruments and final judgments relating to fines, collocation payments or transfers, the value shall be determined by the amount of the sentences.

An annuity shall be settled or pension rights established on a capital sum being ten times the annual amount of the said annuity or pension.

DIVISION VI: RELEASE OF MORTGAGE

Section 287.- For total or partial releases of mortgages with respect to real estate, vessels operating at sea or on inland waterways, or aircraft, the fee shall be assessed on the amounts which are the subject of the release.

Section 288.- For instruments granting total or partial release of a registration of debt by the seller or the pledgee in matters of sale or pledging of businesses, the fee shall be assessed on the amounts which are the subject of the release.

DIVISION VII: CONTRACTS

Section 289.- For contracts and agreements, the value shall be the stated price or the valuation of items capable of being valued.

DIVISION VIII: APPORTIONMENT

Section 290.- For the apportionment of personal property and real estate between joint owners, joint heirs, partners and, in general, for whatever reasons therefore, the fee shall be assessed on the net assets apportioned.

DIVISION IX: EXTENSIONS OF TERM

Section 291.- For unconditional extensions of term, the fee shall be assessed on the credit of which the term is extended.

DIVISION X: RECEIPTS

Section 292.- For receipts and all other instruments of discharge, the value shall be the total of amounts or capitals for which discharge is granted.

DIVISION XI: ANNUITIES

Section 293.- For the settlement of annuities, be they perpetual or pensionable for valuable consideration, the cession, depreciation or repurchase, the basis of assessment shall be determined by the stipulated price or in, its absence, where the price is lower than the capital sum being at least 10 (ten) times the said annuity or pension.

Where the amortization, repurchase or transfer of an annuity or pension settled without consideration is carried out upon abandon of capital higher than the capital sum being ten times the annuity or pension, a supplementary donation fee shall be payable on the balance between the capital and the value imposed at the time of settlement.

The stipulated annuities and pensions payable in kind or on the basis of the prices of certain products shall be assessed on the same capital following a declared estimate of the value of the products at the time of the instrument.

DIVISION XII: COMPANIES

Section 294.- For instruments to incorporate and extend and increase the capital of companies which contain no obligation, discharge or transfer of personal property or real estate between partners or other persons, the fee shall be assessed on the total amount of property transferred, less the liabilities, at the time of extension, the fee shall be assessed on the net assets of the company, including the reserves.

In case of extension and capital increase by incorporation of reserves, fees shall be assessed on the net assets of the company less the reserves incorporated.

The reserves incorporated shall be liable to the fee on capital increases.

DIVISION XIII: TRANSFER AGAINST PAYMENT OF PERSONAL PROPERTY AND REAL ESTATE

Section 295.- For sales and all transfers against payment of ownership or usufruct of personal property and real estate, the tax assessment value shall be determined by the price stated in the instrument together with the charges and compensation for the benefit of the transferee, or by way of estimates made by the parties where the real value is higher, or through expert valuation in the cases authorized by this instrument.

DIVISION XIV: TRANSFER OF BUSINESSES AND NEW GOODS

Section 296.- For transfers of businesses against payment, the fee shall be assessed on the selling price of the goodwill or various elements comprising the business together with charges.

New goods transferred under the same instrument as the business to which they pertain shall be assessed at the appropriate rate provided that they are listed and valued item by item.

DIVISION XV: TRANSFER INTER VIVOS AND ON DEATH

Section 297.- For transfers inter vivos and on death, the fee shall be assessed according to the valuation by parties or experts inserted in the instrument or declaration of the value of the goods transferred on a given date.

However, if within five years preceding or following either the donation instrument or the starting point of the time-limit for filing a declaration of succession, the estate transferred is auctioned by court order or sold voluntarily with outsiders admitted, the fees may not be assessed on a value less than the auction price including all capital charges, unless it is proved that the composition of the property has meanwhile undergone modifications capable of altering its value.

In the case of transfer on death, the value of household furniture shall not be less than 5% of all other property making up the assets of the estate.

Section 298.- Where the amounts or values to be used as the basis of assessment of the tax are not specified in the instruments or judgments, the parties shall furnish a detailed declaration with estimates of value, certified and signed at the foot of the instrument or, in the case of judgments, submitted to the registrar. If necessary, such amounts or values may be determined through expert assessment.

DIVISION XVI: DEDUCTION OF DEBTS

Section 299.- For the assessment and payment of fees for transfer on death, the following shall be deducted :

(1) The debts owed by the deceased which can be shown to exist at the commencement of estate settlement proceedings, by documents admissible in court against the deceased.

(2) The expenses incurred during the last illness and the funeral expenses within the limit set by the instruments in force in each State

(3) The heirs shall furnish all supporting documents.

Any debt for which the government employee considers there to be insufficient proof shall not be deducted from the assets of the estate for the purposes of registration, provided that the parties may subsequently petition for a refund, if need be, within five years with effect from the date of the declaration.

Section 300.- The following shall not be deductible:

debts contracted by the deceased for the benefit of his heirs or intermediaries, persons listed under the relevant provisions of the laws in force in each State shall be deemed to be intermediaries.

However, where the debt so granted by certified or private instruments with an ascertainable date prior to the commencement of estate settlement proceedings, for reasons other than the death of one of the contracting parties, the heirs, donees and legatees and the said intermediaries shall be entitled to prove that the debt is genuine and existed at the commencement of the estate settlement proceedings, in which case the said debt shall become deductible.

DIVISION XVII: OWNERSHIP WITH AND WITHOUT USUFRUCT

Section 301.- The value of ownership with or without usufruct of personal property and real estate shall, for the assessment and payment of fees, be determined according to the age of the usufructuary as follows:

Age of Usufructuary	Value of Usufruct as compared to the value of fullownership	Value of Ownership without usufruct as compared to the valueof full ownership
Under 20 years	7/10	3 / 10
From 20 to 30 years	6/10	4 / 10
From 30 to 40 years	5/10	5 / 10
From 40 to 50 years	4/10	6 / 10
From 50 to 60 years	3/10	7 / 10
From 60 to 70 years	2/10	8 / 10
Over 70 years	1/10	9 / 10

For the transfer against payment of property other than debts, annuities or pensions, through the stated price together with all capital charges;

(1) For marriage contributions, the grant of legacies and transfer inter vivos or on death, through valuation in the following manner:

In determining the value of ownership without usufruct only open usufructs shall be taken into account at the time of transferring such ownership. Provided that in the case of successive usufructs, since the eventual usufruct is just open, the owner without usufruct shall be entitled to a refund of an amount equal to what he would have paid less if the fee he paid had been assessed on the basis of the age of the eventual usufructuary.

The refund process in case of ownership without usufruct shall be prescribed according to the time-limits in force in each State, with effect from the date of death of the preceding usufructuary.

The fixed usufruct shall be estimated at 2/10 of the full ownership for each ten year period of the duration of the usufruct, without fraction and regardless of the age of the usufructuary.

For long-term debts, perpetual or non perpetual, annuities and the labels created or transferred for whatever reason, and for the amortization of such annuities or pensions, by way of a share of the value of full ownership established in accordance with the rules stated in the preceding paragraph, on the basis of the capital determined by Section 293 of the present Code.

Nothing is owed from the mergence of the usufruct and the ownership where such mergence took place as a result of the death of the usufructuary or upon expiry of the time fixed for the usufruct.

CHAPTER IV: OFFICES FOR THE REGISTRATION OF INSTRUMENTS AND TRANSFERS

Section 302.- (1) Notaries, bailiffs and all other officials authorized to make writs or reports shall have their instruments registered at the tax collection office of their domicile, either at the office where such registration was made, or at the tax collection office of his place of work, or at the tax collection office of the place of location of the office where such registration was made, or at the tax collection office of his place of work, or at the tax collection office of the place of location of the property and fees referred to in Section 303 below.

(2) Registrars and clerks of public and municipal services shall register instruments at the tax collection office of their place of work or at the competent tax collection office of the area.

Section 303.- Private instruments transferring ownership or enjoyment of real estate or businesses, as well as the declaration of verbal transfers of businesses and the declaration of verbal transfers of a lease fee or the benefit of a lease promise concerning all or part of an estate shall be registered at the tax collection office of the place at which the property is situated or at the tax collection office of the area; all other instruments shall be validly submitted for registration to any tax collection office.

CHAPTER V: PAYMENT OF FEES AND LIABILITY FOR PAYMENT

DIVISION I: PAYMENT OF FEES BEFORE REGISTRATION

Section 304.- The fees for instruments and transfers shall be paid before registration at the rates and subject to the amounts laid down in this Code. No person may reduce or defer payment on grounds of disputing the amount or for any other reason whatsoever without becoming personally liable; refunds may be claimed where applicable.

DIVISION II: LIABILITY FOR PAYMENT

Section 305.- Fees for instruments to be registered shall be paid by:

1) notaries, for instruments signed before them;

However, regarding transfers of immovable property, the buyer may, on the basis of a tax notice generated by the information system of the Tax Administration, pay duties for the deeds to which he is liable.

Payments for the deeds referred to herein shall be made exclusively by electronic means, by bank transfer or in cash at bank counters.

Evidence of payment by the buyer shall be made available to the notary to continue the process.

2) bailiffs and others authorized to make writs and reports for instruments of their department;

3) registrars, for instruments and judgments drawn up and received at their registries (except as provided in Section 317 below);

4) clerks of public services for which registration is required, except as provided in Section 309 below.

However, the registration fee for all kinds of contracts, auctions, discounts or call for tenders between administrative authorities, public establishments, development authorities, State corporations and individuals, shall be paid by the latter;

5) the parties and jointly between them, for private instruments and instruments signed outside a State of the Community for which registration is required, orders on petitions or pleadings and certificates immediately issued by judges, and instruments and judgments of arbitrators when not registered by the latter;

6) heirs, donees or legatees, their guardians and trustees and executors, for wills and other instruments concerning gifts *post mortem*, as well as for declaration of transmission on death.

Section 306.- Registrars shall be personally liable for the payment of fees only as provided in Section 316 below. They shall continue to enjoy the right granted by Section 317 in respect of the judgments and instruments listed therein.

Section 307.- The parties shall be jointly liable to the Treasury for payment or ordinary fees, fines and additional fees for judgments or decisions.

However, the plaintiff alone shall be liable if non-suited by the judgment or decision. The parties ordered to bear the costs when the judgment or decision awards compensation for damages caused by an accident, a pension or an annuity in any other matter, alone shall be liable to fees.

DIVISION III: CONTRIBUTION TO PAYMENT

Section 308.- Law officials who, in accordance with Section 305 above, have advanced registration fees on behalf of the parties, may proceed for payment thereof in accordance with the legal provisions relating to the collection of expenses owing to notaries, solicitors and bailiffs.

Section 309.- Fees for civil and judicial instruments being obligations, discharges or transfers in respect of ownership, usufruct or enjoyment of personal property and real estate shall be borne by the debtors and new owners; fees for all other instruments shall be borne by the parties to whom the instruments benefit where, in such diverse cases, other provisions do not stipulate otherwise, and save the implementation of the provisions of Section 305 (4) above relating to contracts.

Section 310.- In respect of leases and lettings, the lessor and the lessee shall, notwithstanding any clause to the contrary, be jointly liable for the ordinary fees and if necessary any penalties incurred.

Section 311.- The fees for declarations of transfer on death shall be paid by the heirs, donees and legatees. Joint heirs shall be jointly liable.

DIVISION IV: PAYMENT OF FEES IN INSTALMENTS

A- Leases of personal property, real estate and contracts

Section 312.-(1) The fee for transfers of enjoyment of real estate shall be payable on registration or declaration.

(2) Provided that the fee may be divided into installments:

- in the case of a fixed term lease, except a long-term lease, in as many installments as there are three-yearly periods during the duration of the lease;
- in the case of a periodic lease, in as many installments as there are periods.

(3) The fee for the first period of the lease only shall be paid on registration of the instrument; the fee for subsequent periods shall be paid according to the rate in force at the beginning of each period; they shall be paid by the lessee and the owner under the penalty laid down by Section 320 below.

(4) The fee for verbal letting of real estate shall be paid annually by the person responsible for filing the declaration provided by Section 277 of this Code when the said declaration is filed. It shall be assessed on all leases shown in the declaration, at the rate in force on the first day of the period of assessment.

Section 313.- With the exception of long-term leases and contracts whose beneficiaries do not live in the State concerned, the registration fees on leases of personal property and on contracts may be paid in installments under the conditions provided in Section 312 above.

B- Companies

Section 314.- For instruments relating to the formation, extension, or merger of companies, or increases in capital, the fee may be paid in installments as follows: one-third when the instruments filed for registration, and each remaining two-thirds in half-yearly installments within the month following the expiry of the time-limit. Deferred payment may be granted only when the application is accompanied by a guarantee from a banking establishment having its head office in the State of the competent tax collection office.

The sums for which payment is deferred shall be liable to interest of 6% per month or fraction thereof with effect from the day on which registration was required, in accordance with the provisions of the paragraph below.

Failure to pay any installment within the prescribed period shall entail double payment of the said installment, that is the installment and an additional fee, and payment of the other outstanding installments.

Where a company which is paying the said fees in installments transfers its registered office outside the country, all the outstanding fees shall immediately become due.

C - Transfer on death

Section 315.- At the behest of any legatee, donee or joint heirs, the fees on transfer on death may be paid in equal installments, the first of which is made latest one month following the date of the decision authorizing the installment payment of such fees; in this way, payment of final installment may not be made more than 3 (three) months following the expiry of the time-limit for filing the declaration of succession. The benefit of these provisions shall be limited to the part of the fees which cannot be paid forthwith due to the heir's lack of liquid assets. It shall be accepted only if it is forwarded with a complete and duly filed declaration of succession and if the taxpayers provide sufficient guarantees.

CHAPTER VI: PENALTIES

DIVISION I: FAILURE TO REGISTER INSTRUMENTS AND DECLARATIONS WITHIN THE PRESCRIBED PERIOD

Section 316.- Notaries, bailiffs or other persons authorized to make writs or reports and registrars and government clerks who, due to negligence, have not had their instruments or judgments registered within the prescribed period, shall personally pay a fine equal and additional to the amount of the ordinary fee, with no remedy at law against the parties in respect of this fee only.

Section 317.- When the parties have not paid the fees over to the registrars and clerks within the prescribed period, the latter may free themselves of the ordinary and additional fees by lodging the instruments and judgments at the competent tax collection office on the day following expiry of the period.

Section 318.- Wills not registered within the prescribed period shall be subject to the double registration fee.

Section 319.- Failing to register or payment of the dues on the instru-ments and transfers laid down by the Administration in Sections 276 and 277 of this Code within the prescribed period referred to in the said Sections, the former and present owners, or the lessor and lessee, shall jointly and severally, notwithstanding any provision to the contrary, be liable for an additional fee equal to the ordinary fee.

Section 320.- In respect of the instruments and transfers referred to in Sections 312, 313 and 315 of this Code, the fees relating to periods other than the first shall be paid within the period prescribed in the Sections concerned, failing which the parties shall be jointly liable to an additional fee equal to the ordinary fee.

Section 321.- In the event of infringements of Section 276(2) of this Code relating to the registration within a prescribed period of private instruments recording synallagmatic agreements, the parties shall be jointly liable for an additional fee equal to the ordinary fee, notwithstanding any provisions to the contrary.

Section 322.- Heirs, donees and legatees who have not made a declaration of the property transferred to them on death shall be liable to a fine equal to 50% of the transfer fee due. An additional fee shall be paid when the period exceeds one year.

DIVISION II: OMISSIONS

Section 323.- The penalty for acknowledged omissions in the declarations of property transferred on death shall entail payment of an additional fee.

DIVISION III: UNDERESTIMATION

Section 324.- Where the price or valuation used as the basis for collecting proportional, progressive and digressive fees seems to be lower than the real market value of real estate, businesses, ships or aircraft whose ownership is transferred, usufruct or enjoyment of real estate, the administration may order an expert valuation to determine the taxable value.

Section 325.-(1) Failing amicable agreement on the valuation, an application for expert valuation shall be made to the civil court of the area in which the property or the head office of the business is situated or the ships, boats or aircraft are registered.

(2) The said application shall be presented within 3 (three) years from the date of registration of the instrument or declaration. This period shall be reduced to one year in respect of sales of businesses. The valuation shall be ordered within 10 (ten) days of the application.

If the party fails to choose an expert, after being formally requested to do so, the said expert shall be appointed by the court. When the experts are divided in opinion, the opinion of a third expert shall be sought. Failing this, the said expert shall be appointed by the court.

(3) The expert's report shall be submitted within 3 (three) months following the court order being notified to the experts or within 3 (three) months following the appointment of the third expert.

(4) The costs of the expert shall be borne by the parties, provided that the assessed value exceeds the price or valuation shown on the contract by not less than one-eighth.

Section 326.- Where the underestimation as acknowledged amicably or determined by the valuation is not less than one-eighth of the declared price or valuation, the parties shall be jointly liable for:

1) the ordinary fee on the additional value;

2) an additional half fee, if the underestimation is acknowledged amicably before the application for valuation is filed;

3) an additional fee, if the underestimation is acknowledged after the application for valuation is filed but before the report is submitted to the court registry;

4) a double additional fee if it is the contrary;

5) costs of the valuation.

No penalty shall be inflicted and the costs of the valuation shall be borne by the Administration when the underestimation is less than one eighth of the declared price or value.

DIVISION IV:
CONCEALMENT

Section 327.- Any concealment of the price of a sale of real estate or of a transfer of business or goodwill, or as to compensatory payment in exchanges or apportionments, shall be punished with a fine equal to half of the amount concealed, to be paid jointly by the parties, subject to its being shared equally between them. Concealment may be established through all forms of proof acceptable in ordinary law.

Section 328.- Where the existence of a private counter-deed is established, relating to concealments referred to in Section 327 above for the purpose of increasing the price stipulated in a previously registered official or private instrument, a fine equal to three times the fee payable on the amount concealed shall be imposed.

Section 329.- Where it is amicably acknowledged or established by court that the true nature of the stipulations of a contract or agreement has been concealed under stipulations causing lower fees to be assessed, an additional double fee shall be charged. This fine shall be payable jointly by the contracting parties.

DIVISION V:
PRE-EMPTION

Section 330.- The administration shall have the right, within a period of 6 (six) months, to replace the purchaser of a property or the beneficiary of rights under a lease if it so considers necessary and if it considers the price shown on the instrument to be underestimated. Pre-emption shall be as of right after notification served by a bailiff. The administration shall refund the price shown on the instrument, with a supplement of 10%, to the purchaser.

DIVISION VI:
REMISSION OF PENALTIES

Section 331.- Ex gratia remission of fines and penalties may be granted on a duly stamped application and after payment of ordinary fees by the head of the tax collection office, his immediate superior, an inspector examiner, the director or minister having jurisdiction, according to the quotas determined by national instruments.

CHAPTER VII:
REFUND OF FEES-PRESCRIPTION

DIVISION I:
REFUND OF FEES

Section 332.-(1) The parties may apply for the refund of registration fees incorrectly or improperly charged on instruments or which are subsequently revoked or cancelled in pursuance of the provisions of the Civil Code in force in each State, or on contracts rescinded as burdensome or sales cancelled for latent defect; moreover, in all cases where cancellation occurs the fees charged on the instrument shall be refundable only when the cancellation or rescindment is the consequence of a final and enforceable judgment or order.

(2) Assessment errors duly recorded by the service shall lead to an automatic refund of such incorrectly and improperly collected fees.

Section 333.- Heirs or legatees shall be allowed, within 5 (five) years with effect from the time of declaration, to claim with prescribed supporting documents, a deduction of the debts established through bankruptcy or court liquidation operations or through a final settlement by way of subsequent contribution to the declaration, and be granted a reimbursement of the surplus fees paid.

DIVISION II:
PRESCRIPTION

Section 334.- Prescription shall apply in respect of fees:

1) After the last day of a period of 5 (five) years required in each State for the prescription of State debts from the date of registration of an instrument or other document, or a declaration on which the liability to fees is apparent without further investigation being required;

2) At the end of a period of 10 (ten) years or 30 (thirty) years, depending on the State, from the date of death as concerns undeclared transfer on death and from the date of registration for fees relating to instruments registered in debit. Prescription shall be suspended by signified demands, payment of a deposit, filing of a petition for remission of penalties, and notice of issue for collection.

Section 335.- Proceedings for refund of fees shall end following the prescription time-limits in force in each State from payment of the ordinary and additional fees and fines. Prescription shall be suspended by signified demands, and registered before dateline expires at the Directorate General of Taxation.

CHAPTER VIII: INSTRUMENTS TO BE REGISTERED IN DEBIT

Section 336.- Apart from the instruments designated by law, only the instruments listed below shall be registered in debit as follows:

1) All procedural instruments and documents produced in court in proceedings by any public administration against a private person. Fees shall be recovered from the party against whom judgment is given;

2) All procedural instruments and documents produced in courts of summary jurisdiction or criminal courts, when there is no plaintiff. Fees shall be recovered from the party ordered to pay costs;

3) All procedural instruments produced before the courts by persons receiving legal aid. Fees shall be covered from any part ordered to pay costs who is not receiving legal aid;

4) The first instruments of conservation relating to estates in abeyance where the assets then realized are insufficient;

5) All instruments, pleadings and decisions in administrative cases. Fees shall be recovered from the party ordered to pay costs.

CHAPTER IX: INSTRUMENTS REGISTERED FREE OF CHARGE

Section 337.- The following shall be registered free of charge:

1) in general, all instruments whose registration is to be borne by the State or by a public corporate body of the State, international organisations subject to the contrary provisions of the headquarters agreement with the Community and the Bank of Central African States;

2) all instruments whose registration is to be borne by mutual societies, friendly societies and agricultural mutual loan societies or cooperatives affiliated thereto, provided that the said instruments are not transfers of ownership or tenure;

3) instruments to transfer ownership or tenure of real estate, and, in general, instruments between private individuals or companies and public and private bodies whose goal is to lay down and make available to their members or to outsiders modest conditions for low-cost housing. Provided that the benefit of registration made free of charge may be granted to the bodies referred to in the preceding paragraph only after the approval of the competent minister of each State;

4) instruments, judicial and extrajudicial decisions made in pursuance to labour regulations, family allowances and instruments laying down the procedure for legitimising natural children;

5) judgments passed on procedures followed at the request of the Legal Department in the area of civil status;

6) the swearing in of judicial and legal officers, civil servants and State employees of regional and local authorities;

7) agreements between the State and private enterprises in pursuance of the law instituting the Investment Code or other preferential schemes;

8) orders and registration judgments in the area of landed property;

9) agreements for the repurchase of domestic public debt as well as agreements for the securitization of public debt.

CHAPTER X: INSTRUMENTS EXEMPTED FROM REGISTRATION

Section 338.- The following shall be exempted from registration:

1) instruments of professional organizations which are legally established, and whose articles of association provide for mutual assistance among members;

2) judgments of customary courts, with the exception of those concerning the transfer of ownership, usufruct or tenure of real estate or the establishment of real fees on real estate;

3) instruments of the public authority incorporating legislation or regulations, and all documents and registers kept for the purpose of public services;

4) instruments in respect of proceedings to recover taxes, charges, fees and other amounts owing to the budget of the State of regional and local authorities, and receipts and discharges relating thereto;

5) instruments and documents established for poor persons, when destitution is duly attested by a certificate issued by the administrative authorities of the area of residence;

6) records of counter signature and initialing of business registers, whatever their form;

7) instruments, records and judgments in civil cases, where the Legal Department acts on its own motion in the interests of the law and to ensure the enforcement thereof, in particular in civil status matters;

8) instruments established in pursuance of laws relating to bankruptcy and liquidation by court order, with the exception of instruments transferring assets in cases of bankruptcy and of judgments declaring bankruptcy or liquidation by court order or of those determining the date of cessation of payments;

9) contracts and certificates of employment and all instruments concerning the collective agreements which are not transfers or discharges; all contracts, discharges and documents whatsoever delivered by employers and insurance organisations in pursuance of legislation to prevent industrial accidents and occupational disease shall likewise be exempted from all stamp duty and registration fees;

10) certificates of existence and other documents, not being transfers or ownership or enjoyment, produced to public accounting officers by annuitants and pensioners or in respect of family allowances;

11) instruments and judgments in civil status matters;

12) extract from the civil status registrar, attested affidavits, instruments of approval and publication, deliberations of a family council, certificates to free persons from military service, expenditure on parenthood, marriage or age;

13) instruments and documents intended for the recovery of taxes, fines and orders, and in general all amounts whose recovery is assigned to the treasury service;

14) crew lists and engagements of sailors and merchant seamen, and instruments and judgments in pursuance of the law relating to military recruitment;

15) instruments, judgments and certificates delivered by virtue of legislation relating to the medical assistance program ;

16) instruments relating to procedure by license lawyers before courts of first instance, and writs of the said instruments;

17) instruments relating to procedure for registering as elector and for claims and complaints against such registration and the poll;

18) printed papers, writings and instruments of any kind necessary for savings bank and postal checks services; certificates of ownership and attested affidavits and other documents required by savings banks or postal checks centers for repayment, transfer or renewal of savings booklets belonging to deceased persons and persons declared missing;

19) extract from criminal records No. 3 (Bulletin No. 3);

20) receipts for taxes, charges, debts, revenue, and fees given by public and municipal administrations:

- orders relating to tax discharges, reductions and rebates, and invoices and copies in respect thereof;
- receipts giving final discharge to public accounting officers;

21) all instruments, decisions and formalities in matters of distraint of the salaries and wages of civil servants, soldiers and other wage earners;

22) all instruments concerning trusteeship on vacant succession and unclaimed property;

23) instruments, documents and writings of any kind concerning the social security fund within the limits of operations to meet its social objectives;

24) instruments established by non-CEMAC embassies and consulates subject to reciprocity.

CHAPTER XI: DETERMINATION OF FEES

Section 339.- Fees shall be charged on the registration of instruments and transfers in accordance with the Sections below and according to the following classification:

1) high rate;

2) intermediate rate;

3) medium rate;

4) reduced rate;

5) Super reduced rate.

DIVISION I: PROPORTIONAL FEES

Section 340.- The following shall be charged at the high rate:

1) sales of real estate, whether by private sale, sale by court order or by auction;

2) sales by auction of real estate held indivisum;

3) cancellations of such sales;

4) grants of State land;

5) options to repurchase real estate exercised after the stipulated period;

6) balancing payments in respect of exchanges or partitions of real estate;

7) exchange of real estate;

8) judgments relating to real estate;

9) annuity or pension settlements by transfer of real estate;

10) leases against perpetual annuities, leases for life, and leases of unlimited term, in respect of real estate; and,

11) in general, all instruments to transfer ownership of or rights in real estate.

Section 341.- A high rate and intermediate rate shall be charged on:

1) Transfers of businesses or goodwill. The said fee shall be charged on the price relating to the sale of the goodwill, the transfer of lease rights, and the moveables or other items used in the operation of the business, with the sole exception of new goods in stock. The said new goods shall be subject to a reduced rate or super reduced rate, provided that they are shown at a specific price and listed and assessed item by item in the contract of declaration.

2) Leases, sub-leases, lease transfers and extensions thereof, and verbal leases or fixed term leases, concerning buildings used for professional, industrial and commercial purposes, as well as rentals granted by companies with a view to housing their staff and executives.

Section 342.- The medium rate shall be charged on:

1) leases, sub-leases, lease transfer and extensions thereof, and verbal leases of personal property and real estate, such as ships, huge equipment and heavy-duty equipment;

2) sales of moveables, whether by private sale, sale by court order or by auction;

3) sales by auction of moveables held indivisum;

4) annuity or pension settlements by transfer of moveables;

5) assignments, delegations and transfers of tangible and intangible property, other than the transfer of debts;

6) exchanges of moveables;

7) balancing payments in respect of exchanges or partitions of moveables;

8) perpetual leases, leases for life, and leases of unlimited term, in respect of moveables;

9) judgments rendered after hearing the parties or by default in police courts, courts of summary jurisdiction and criminal courts, relating to orders, classification of creditors, payments or obligations in respect of moveables and securities and interest between private individuals, and, in general, all judgments and summary orders concerning rights and property.

10) Government contracts and orders below CFAF 5 million charged to the budget of the State, regional and local authorities, public establishments or through external financing.

Section 343.- The reduced rate shall be charged on:

1) occupation of public property;

2) transfer of shares and bonds of commercial or civil companies with registered offices outside the CEMAC zone when the said instruments are utilized or have consequences in a CEMAC country;

3) transfer of shares and bonds of companies with registered offices in a CEMAC member country;

4) loans on collateral and on mortgage, acknowledgements of debt, transfers, assignments, subrogations, transfers of debts and interest and extensions thereof and taking of mortgages;

5) Government contracts of 5,000,000 CFAF and above paid from the budget of the State, local and regional authorities and administrative public establishments.

Section 344.- The super reduced rate shall be charged on:

1) delivery of legacies;

2) mortgages bought under housing loans;

3) partition pure and simple of personal property and real estate;

4) release of mortgages;

5) receipts and other instruments on the discharge of money and securities;

6) marriage settlements containing no special benefits for either party and all instruments or writings establishing the nature, composition or value of the property of the couple;

7) cash and moveable sureties, moveable guarantees, indemnities of similar nature, assignments, in surety, guarantee instruments and any moveable pledges.

DIVISION II: FEES ON DOCUMENTS

Section 345.-When a legal decision is taken in respect of an application which was not established by a registered document but was capable of being so established, the fee that would have been charged on the application if a public instrument had been produced shall be charged independently of the fee payable for the instrument or judgment setting out the decision.

DIVISION III: DEGRESSIVE FEES

Section 346.- Digressive fees shall, for the share of capital to be determined by each State, be charged on instruments relating to the formation and extension of companies which do not contain obligations, discharge or transfers of real estate and moveable property between the partners or other parties, and on instruments relating to increase of capital. However, in instruments relating to mergers and demergers of public or private limited companies and limited partnerships, the taking over by the combining company or the new company of all or part of the liabilities of the former companies shall be charged only at the fixed rate.

Instruments relating to the transfer of part of the assets of a public or private limited company or limited partnership to another such company or partnership shall, for the purposes of the present Section, be ranked with merger instruments provided that:

- the merger company or the new company has its registered office in a country of the Community;
- the transfer has previously been approved by the competent Minister from the State concerned;
- the company be granted the benefits of the investment code.

DIVISION IV: PROGRESSIVE FEES

Section 347.- The progressive fee based on the prices fixed by each State and notwithstanding the transfer against payment shall be charged on persons or companies intending to build houses solely for residential purposes, for outright sale or on credit, or to carry out infrastructural works relating to such houses, provided that the sale is carried out within three years of the date of the receipt.

Section 348.- Fees for transfer on death shall be charged on the total net assets of the estates as determined by each State, whatever the relationship of the heirs to the testator, at the progressive rate based on amounts of capital.

The fees shall be allocated among the heirs according to their shares in the estate; provided that the heirs shall be jointly and severally liable for full payment of the fees, which may be required of any one of them.

Section 349.- Fees for transfer inter vivos shall be charged at the progressive rate taking into account the direct line of descent or ascent, transfer between husband and wife, between brothers and sisters, between relatives and, beyond second degree, between unrelated persons.

DIVISION V: FIXED FEES

Section 350.- The fixed fee shall be charged on:

1) *repealed*;

2) *repealed;*

3) the take-over by the combining or new company of all or part of liabilities of former companies as concerns instruments of limited liability merger or demerger.

Section 351.- The low fixed rate shall be charged on the following instruments:

1) final rulings of the Court of Appeal, all judgments and other decisions issued by first degree courts, containing final provisions submitted for registration, irrespective of the court that issued them, and not subjected to proportional fees or subject to a proportional fee rate which is lower than the one provided by this Section; the same shall apply to receipts, releases, withdrawals and, in general, instruments on discharges where the proportional fee rate is lower;

2) marriage contracts containing only declarations of the marriage settlement agreed on by the future couple without recording any contribution made by them or contribution liable to the lower rate of proportional fee;

3) all registrations or trade register of a trader or company;

4) acknowledgements of debt, grant of credits, bills of exchange, promissory notes, all other negotiable bills and, in general, all instruments on present or long-term sums of money or securities, without generous gift and without the obligation to pay the price for transferring personal property or real estate where the proportional fee rate is lower;

5) promisory notes, bills of exchange and all other negotiable instruments may not be submitted for registration without the protests relating thereto;

6) instruments under private seal in respect of the sale on credit of motor vehicles in the case of a lower proportional fee.

Section 352.- The following instruments shall be registered at a fixed rate which shall not exceed that referred to in the preceding Section:

a) instruments to liquidate companies;

b) wills.

Section 353.- The following instruments shall be registered at a fixed rate, which shall not exceed that referred to in the preceding Section:

1) Rulings which are executory in respect of small commercial debts equal to or less than 250,000 francs;

2) termination of long-term leases;

3) instruments for which no rates have been determined by this Code or for which the amount of the proportional fee is less than 2,000 francs.

CHAPTER XII: DUTIES OF LAW OFFICIALS, JUDGES, ARBITRATORS, PARTIES AND COLLECTORS AS WELL AS SANCTIONS FOR FAILING

DIVISION I: INSTRUMENTS IN CONSEQUENCE AND INSTRUMENTS PRODUCED AT LAW

Section 354.- Notaries, bailiffs, registrars and administration clerks may not issue originals, copies or true copies of any instrument submitted for registration on the copy kept by the authority or the original, or make any other instrument in consequence thereof, before the said instrument is registered, even when the period for registration has not yet expired, under pain of a fine of CFAF 100,000 in addition to the fee.

However concerning court registrars and other public employees, this fine shall be fixed at CFAF 50,000.

Writs and other instruments of that nature which are served on parties or notified by posters or announcement, and negotiable instruments, shall be exempt.

Provided that the law official may state the date of instruments which he has received, whose registration period has not yet expired, and record that the said instruments will be presented for registration at the same time as the instrument so marked; registration of the second instrument may in no event be requested before that of the first.

Section 355.- No notary, registrar, bailiff, or other law official may make or draw up any instrument by virtue of an instrument by private agreement or an instrument signed in a foreign country, include it in his records, be given custody or issue an extract, copy or true copy thereof unless it has been previously registered, under pain of a fine of CFAF 100,000 and personal liability for the fee, subject to the exemptions mentioned in the preceding Section and in the Sections below.

However, concerning court registrars and other public employees, this fine shall be fixed at CFAF 50,000.

Section 356.- Notaries, registrars, bailiffs, clerks and other law officials may make instruments by virtue and in consequence of unregistered instruments by private agreement and cite them in their instruments, provided that each of the said instruments under private seal shall remain appended to that in which it is cited, that both shall be submitted for registration at the same time, and that the law officials or clerks shall be personally liable for any fines that may be imposed on the instruments under hand only, as well as for registration fees and stamp duty.

Section 357.- Bills of exchange and all other negotiable instruments shall be submitted for registration only with protests thereof under pain of a fine of CFAF 100,000.

Section 358.- Under pain of a fine of CFAF 100,000, notaries and bailiffs shall be prohibited from receiving an instrument without registering it.

Wills deposited with notaries by testators shall be exempted.

However, concerning court registrars and other public employees, this fine shall be fixed at CFAF 50,000.

Section 359.- Reference shall be made to the discharge of the fees by a full literal transcription of the said discharge in all true copies of official, civil or judicial instruments which have to be registered.

The same shall apply to the copies of official, civil, judicial and extrajudicial instruments done by virtue of instruments underhand only and instruments signed in the territory of a member State of the community and submitted for registration.

Each offence shall be punished with a fine of CFAF 100,000.

However, concerning court registrars and other public employees, this fine shall be fixed at CFAF 50,000.

Section 360.- In the event of falsified information pertaining to the registration, either in the original record or the copy thereof, the offender shall be prosecuted by the Legal Department, following denunciation by the official of the Administration, and punished in accordance with the provisions of the law governing forgery.

Section 361.- Any instrument relating to a sub-lease or subrogation, cession or retrocession of a lease shall, under pain of a fine of 2,000 CFAF, contain a literal transcription of the reference to the registration of the full or partial lease.

Section 362.- Judges and arbitrators shall not deliver any judgement, and public services shall not issue any order, in favour of private persons, on unregistered instruments, under pain of personal liability for the fees, except as stipulated under Section 367 of this Code.

Section 363.- During proceedings following extrajudicial notice or request for payment, delivery or execution of any other agreement whose title was not indicated in the said copy, or which was simply stated as verbal, documents (except coupons used as per local practice) accepted bills, invoices, letters or any other document from the defendant which was not registered before the application or request to pay shall be produced. The fee shall be doubled and due, and may be paid during the registration of the judgement passed.

Section 364.- Use may not be made of any instrument drawn up in a country other than a member State of the Community if such an instrument has not been subjected to the same fees as if it were drawn up within the Community for property located within the Community.

Where instruments, other than those drawn up in foreign countries, have already been registered, the amount due within the Community shall be an additional fee equivalent to the difference between the fees due within the Community and the amount already paid.

Section 365.- Whenever judgement or an order is to be made on the strength of a registered instrument, such judgement, arbitration decision or order shall state the amount in fees, the date of payment, and the name of the Tax Collection Office where such payment was made. Where such information is lacking, the Collector of Taxes shall require payment of the fees, if the instrument was not registered in his office, except where a refund of such fees is effected within the prescribed time limits for proof of payment of the required fees in respect of the instrument on which the judgement or order is founded.

Section 366.- Courts before whom unregistered instruments are produced shall on the application of the Legal

Department or on their own motion order the lodging of these instruments at the registry, for immediate registration. Acknowledgement of the said applications by the Legal Department shall be given.

Section 367.- Notwithstanding the foregoing, the presentation of receipts and other supporting documents in proof of payment shall not, in itself, entail compulsory registration.

Section 368.- Parties who submit an instrument by private agreement for registration shall lodge a duplicate thereof on stamped paper, bearing the same signatures as the instrument itself, which shall be kept at the Tax Collection Office when the formality will be required.

A copy or extract of the said duplicate may be issued under the conditions laid down in this Code.

In the event of it being physically impossible to draw up a duplicate, a certified true copy shall be required by the competent authority.

For administrative instruments, a duplicate on stamped paper with the same signatures as the original instrument shall be deposited at the Tax Collection Office.

For notarial instruments, summary injunctions, judgments and decisions given in civil and commercial matters, a duplicate on unstamped paper shall be lodged at the Tax Collection Office. One or more additional copies on unstamped paper shall be required for property situated outside the area of jurisdiction of the notary drawing up the instrument.

Section 369.- Notwithstanding the provisions of the preceding Section, instruments under private agreement for advances on all other securities than bonds drawn on a State of the Community or bonds issued, by the Treasury of such State, shall be exempted from the requirement to submit a copy to the Tax Collection Office.

Section 370.- Instruments relating to the transfer, with or without consideration, of real estate and businesses shall show the civil status, taxpayer's number and full address of the parties, the full identification and previous ownership of the property transferred, and a statement of the occupancy thereof; four copies of the instrument two of which shall be on unstamped paper.

A site plan of the property transferred shall be attached to the instrument, the duplicates and the copies lodged at the Tax Collection Office.

Instruments creating companies shall equally be subject to the requirement of submitting a site plan at the time of registration.

The registration of instruments not fulfilling these conditions shall be deferred until the said instruments are presented in due and complete form. Such deferment shall not bar penalties.

Section 371.- (1) Any declaration of transfer on death lodged by heirs, donees or legatees, their husbands, guardians, trustees or legal administrators shall end with the following text:

"The declarant states that this declaration is sincere and true and further states, under pain of legal sanctions, that this declaration comprises cash, claims and all other transferable property within CEMAC or abroad which, in his knowledge, belonged to the deceased, either in whole or in part".

(2) Where the declarant does not know or is unable to sign, the Tax Collector shall read to him the prescribed statement in the preceding chapter and cause him to append his finger prints at the bottom of the declaration.

(3) In any instrument or declaration whose purpose is either the sale of real property, the transfer of business, or the transfer or partition of property involving real estate or business, each of the sellers, buyers, parties to the transfer, beneficiaries of the partition, their husbands, guardians or legal administrators shall be bound to end the instrument or declaration with the following text:

"The undersigned party states, under pain of legal sanctions that this instrument (or this declaration) indicates

the full amount agreed as balance in cash".

Anyone who falsifies the prescribed statements in the preceeding paragraphs shall be punished in accordance with the provisions of the penal code.

Where the falsification is done by one heir or jointly by several heirs, or where the declaration was submitted by an agent, the other heirs taken jointly or the agent shall be liable to
the same penalties, where it is established that they had knowledge of the falsification and where they did not complete the declaration within a six months time limit.

Imprisonment as provided for by the preceding provisions shall run concurrently with penalties provided for under fiscal laws in respect of omissions and concealment.

Proceedings shall be instituted on the basis of a complaint made by the service in charge of Registration within legal prescription time-limits following any declaration deemed to be false.

Such matters shall, if the false statement is in a declaration of inheritance, be brought before the criminal court at the place of residence of the deceased and, in all other cases, before the criminal court either at the place of residence of the offender or of the place at which the offence was committed.

Section 372.- Regardless of the obligation prescribed by Section 371 above, any notary who receives an instrument relating to the sale, transfer, or partition of property shall be bound to read to the parties involved the provisions of the said Section and the penalties provided under the penal code.

Mention of the reading shall be made expressly in the instrument under pain of a fine of CFAF 100,000.

Section 373.- The provisions of Sections 371 and 372 above shall be applicable to contracts relating to the transfer of lease rights or benefits from a lease promise on all or part of a real property.

DIVISION II:
LEGAL AID, TRANSMISSION OF ENFORCEABLE DECISION TO THE REVENUE COLLECTOR

Section 374.- Registrars shall forward to the Tax Collector, within the month of the judgment ordering payment of costs or tax on costs by the judge, the extract of the judgment or the executory clause under pain of a fine of CFAF 50,000 for each extract of judgment or executory clause not forwarded within the said time-limit.

DIVISION III:
RIGHT OF ACCESS

Section 375.- Depositaries of civil status registers and tax rolls, and any other persons responsible for records of public deeds shall be bound to allow access on the spot to taxation officials any time they so request and to let them obtain, at no cost, any information, extracts or copies they may require in the interest of the Treasury, under pain of a fine of 2,000 CFAF for refusal of access which shall be duly established by a report of the taxation official.

These provisions shall also be applicable to notaries, bailiffs, registrars and public administration clerks, for instruments of which they are depositaries, except for restrictions arising from the provisions of sub-paragraph below and from Section 377 below.

These provisions shall not apply to wills and other instruments of liberality due to death, drawn up in the lifetime of the testator.

Such access may be requested only on working days.

Section 376.- The only instruments to which taxation employees may request access in local administration and council services shall be those listed in Section 270 of this Code.

Section 377.- Depositaries of registers of bonded warehouses shall be bound to grant taxation employees access thereto under conditions stipulated in Section 376 above and subject to the penalties stipulated therein.

Section 378.- All companies within the Community or abroad irrespective of their nature, managers of all kinds of enterprises, insurers engaged in all kinds of insurance transactions, shall be subject to inspection by the Taxation Department and shall be bound to grant employees thereof ranking at least as Inspector or acting in that capacity at their head offices as well as branch offices, access to their registers, securities, policies, supporting documents for expenditure, accounting documents as well as such other documents as reports, minutes of meetings, holdings, list of coupons, correspondences, etc., to enable these employees to ascertain whether registration regulations have been respected.

Refusal of access shall be established by a report.

Section 379.- Each State shall determine the amount of fine for refusal to grant access under conditions prescribed in the preceding Section.

Regardless of this fine, all parties subject to inspection by taxation employees shall, in case of litigation, be required to re-submit supporting documents which were withheld, under pain of payment of at least 5,000 CFAF per day of lateness. The fine shall be effective from the date of signature by the parties or of notification of the report drawn up to establish refusal to enforce the judgment which was duly notified, it shall cease to be effective only when it is established, by means of an entry made by an Inspector in the main books of the company or establishment, to the effect that the Administration has been granted access as ordered.

The collection of the fine shall follow the procedure in respect of registration matters.

Section 380.- The powers granted to taxation employees under Section 379 above with regard to companies may be exercised in respect of banks by any person(s) from any establishment(s) conducting banking business for the purpose of controlling the payment of taxes by these persons and/or establishment as well as by third parties.

Section 381.- The same provisions shall apply to all law officials and all traders whose turnover level falls within the range of inspected returns, in accordance with the legislation of each State of the Community.

DIVISION IV: REGISTERS OF NOTARIES, BAILIFFS, REGISTRARS, CLERKS, AUCTIONEERS AND BROKERS

Section 382.- Notaries, bailiffs, registrars and public administrative clerks shall keep columnar registers in which they shall each day enter the following, in serial order and without blank lines or interlineations:

1) notaries, all instruments and contracts which they receive, including those delivered to the parties, under pain of a fine of CFAF 100,000 for each omission;

2) bailiffs, all instruments and writs served by them, under pain of a fine of CFAF 100,000 for each omission;

3) registrars, all instruments and judgments whose copy kept by the authority must, in accordance with the present Code, be registered, under pain of a fine of CFAF 50,000 for each omission;

4) clerks, instruments of administrative authorities and public establishments subject to registration by virtue of the provisions of Section 270 above, under pain of a fine of CFAF 50,000 for each omission.

The absence of a register shall be punished with a fine to which shall be added a fine of CFAF 50,000 for the delay.

Section 383.- Each item of the register shall indicate the following:

1) its number;

2) the date of the instrument;

3) the nature of the instrument;

4) the full names of the parties and their place(s) of residence;

5) a brief description of the property concerned, its location and price, in the case of instruments relating to usufruct or possession of property or funds;

6) a reference to payment of the registration fee.

Section 384.- Notaries, bailiffs, registrars and clerks of government services shall submit their registers for countersignature every quarter to the Tax Collector of their place of residence, who shall countersign each register and indicate the number of items recorded therein. The said registers shall be submitted each year during the first two weeks of the months of January, April, July and October, under pain of a fine of CFAF 50,000, irrespective of the length of the delay recorded.

Section 385.- Regardless of the provisions of the preceeding Section, notaries, bailiffs and clerks shall be bound to allow access to their registers to registration employees who show up for verification purposes, under pain of a fine of CFAF 1,000,000 francs for refusal, to which shall be added a penalty of CFAF 100,000 per day of delay.

In case of a refusal, the registration employee, shall establish draw up a report to that effect.

Section 386.- The registers shall be numbered and signed as follows:

- for notaries, by the president or failing this, another judge of the civil court at his place of residence;
- for bailiffs and courts registrars, by the president or the judge he appoints for this purpose;
- for administrative clerks, by the head of the administrative service.

Section 387.- Provisions in respect of the keeping and submission of registers shall be applicable to auctioneers and brokers, but solely with respect to records of sales of movables and goods as well as instruments drawn up as a result of such sales.

Section 388.- Regardless of the obligations binding upon them under Sections 121 *et seq.* of this Code, court registrars shall, subject to the penalties provided for in this Part of the Code, keep an unstamped register, which shall be numbered and signed by the President of the civil court, with daily, columnar entries in serial order and without blank lines or interlineations of all instruments and judgments which are exempted from stamp duty and registration formalities.

Each item of the register shall indicate the following:

- its number;
- the date of the instrument;
- the nature of the instrument;
- the full names of the parties and their place of residence.

Every instrument recorded in this register shall bear its serial number.

Section 389.- Registrars shall, under pain of the penalties provided for in Section 394 below, submit this register for countersigning to the Collector of Taxes in their place of residence, who shall countersign it and indicate the number of the last item recorded. Such submissions shall be effected during the periods prescribed in Section 384 above.

Registrars shall, under pain of a fine of 2,000 CFAF for each omission, record in the special register prescribed in the preceding Section the criminal records which they issue.

DIVISION V: PUBLIC SALE OF MOVABLES

Section 390.- Furniture as well as goods and chattels, wood, fruits, crops, breeding products and all other movables may be sold by public auction only in the presence of and by law officials vested with such powers.

No legal officer may sell movables by public auction prior to making a declaration thereof to the Taxation Centre with jurisdiction over the place where the auction shall be conducted.

Section 391.- The declaration shall be drafted in two copies, dated and signed by the law official. It shall bear the names, place of residence, rank of the law official, as well as those of the applicant, those of the person whose property shall be sold, and the date and time of the opening of the auction. It shall cover only the property of the person named therein. The declaration shall be lodged at the Taxation Centre and registered free of charge. One of the copies, drafted on stamped paper and bearing the registration details, shall be given to the law official, who shall append it to the auction report, while the second copy, drafted on unstamped paper, shall be filed at the Taxation Centre.

Section 392.- Each article sold shall be recorded in serial order in a report, with its price in words and in figures on a separate line.

Each auction session shall be reported and signed by the law official.

Where the sale shall be conducted following an inventory, the report shall indicate the inventory date, the name of the notary who conducted it and the payment of registration fee.

Section 393.- Auction sales reports may be registered only at the place where the declarations were lodged.

Registration fees shall be due in respect of the cumulative amounts of various sales reports to be registered within the time limit prescribed in Section 276 *et seq.* of this Code.

Section 394.- Infringement of the provisions above shall be punishable with the following fines:

- 10,000 CFAF for any law official who conducts a sale without lodging a declaration, or any law official who fails to append the declaration to the auction sale report;
- 10,000 CFAF for every article sold and not recorded in the sale report, in addition to payment of the registration fee thereof;
- 10,000 CFAF as well for each modification in the price of articles, noted in the sales report, notwithstanding payment of the fee and penalties for forgery;
- other violations of registration regulations by law officials shall be punishable with fines and payment of the relevant fees;
- fines due from any citizen who violates the provisions of Section 360 (1) of this Code by selling or causing to sell items by public auction without a law official, shall be determined according to the seriousness of the offence; however, the fine may not be less than 1,000 francs or exceed 10,000 CFAF for each sale, in addition to the payment of the fees due.

Section 395.- Taxation employees shall be authorized to go to any site at which sales by public auction are conducted and request that the reports thereof and the copies of prior declaration be presented to them.

They shall prepare reports on any offences they may have noted and established.

Legal proceedings shall follow the procedure prescribed in Chapter 13 of this Code.

Evidence from witnesses may be accepted in respect of sales conducted in violation of the preceding provisions.

Section 396.- Civil servants who conduct the sale of movables of a CEMAC State or its local councils shall be exempted from lodging the declaration stipulated in Section 389 of this Code. Agents responsible for the sale of property forming part of an estate managed by official trustees shall equally be exempted.

DIVISION VI:
SPECIAL DUTIES RELATING TO TRANSMISSION ON DEATH, FORM OF DECLARATIONS

Section 397.- Heirs, legatees and donees, or the guardians or trustees thereof, shall be bound to file a signed and detailed declaration on a form supplied by the Administration.

However, with respect to real property situated in areas of jurisdiction of Tax Collection Offices other than those at which the declaration was lodged, the detail shall be presented not in the declaration but separately for each office on a form supplied by the Administration and signed by the declarant.

The declaration shall state the dates and places of birth of all heirs, donees and legatees.

With respect to persons born in a country other than a CEMAC State, the date of birth shall be ascertained prior to the registration of the declaration; failing this, the highest fees due to the Treasury shall be collected, except in the event of a refund of excess payment.

Section 398.- Employees of the registration service may require the heirs and other rightful claimants to clarify issues as well as furnish proof in respect of securities and movable property not recorded in the declaration.

Where the request for proof is forwarded by registered mail with acknowledgement of receipt, the response must be received within the time-limit set by the registration service and such time-limit may not be less than thirty days.

Failure to respond within the set time-limit or in the event of a refusal, proof to the contrary shall no longer be admissible, notwithstanding any refunds which may subsequently be deemed justified.

DIVISION VII:
REAL ESTATE: DUTIES OF PURCHASER, NOTARIES AND REGISTRARS OF MORTGAGES AND LANDED PROPERTY

Section 399.-(1) All vendees of real estate located within CEMAC and forming part of inheritance may not pay the purchase price, except upon presentation of a certificate issued free of charge by the Tax Collector to attest either the payment or the exemption from transfer on death taxes, except where he prefers to keep and hold as a treasury guarantee up to the time of presentation of the Collectors' certificate, an amount equal to duties calculated on the basis of the price.

(2) Whoever violates the provisions of Section 399 (1) above shall be personally liable for the fees and penalties due, as well as a fine of 5,000 CFAF, except where a complaint has been lodged against the debtor.

(3) Any notary who receives an instrument establishing the purchase of real estate forming part of an inheritance shall be jointly and severally liable for the fees, fines and levies referred to in Section 399 (2) above.

(4) The office of the registrar of landed property shall not register any instruments or documents establishing the transmission on death of real estate titles or enter, in lands registers, transfers on death of these same titles except on presentation of a certificate issued by the Tax Collector free of charge which attests to payment of or exemption from fees due in respect of transfers on death.

(5) Any registrar who infringes the provisions of Section 399 (4) above shall be personally liable for the fees and penalties due except where there is a petition against the debtor. He shall also pay a fine of 5,000 CFAF.

DIVISION VIII:
NOTICE OF DEATH

Section 400.- Mayors and civil servants ranking as such shall forward to the Collector of Taxes a certified record of death certificates issued by them every quarter.

These records shall be issued on unstamped paper and shall be forwarded during the months of January, April, July and October, under pain of a fine of 2,000 CFAF.

Such records shall also be acknowledged on unstamped paper.

DIVISION IX:
REGISTERED BONDS ISSUED BY A MEMBER STATE OF THE COMMUNITY AND REGISTERED ORDER SECURITIES HELD BY DECEASED TRANSFER

Section 401.- The transfer, conveyance, conversion of securities to bearer bonds, or the refund of registered securities issued by a member State of the Community, or registered securities of companies or of regional and local authorities held from deceased or absent owners may not be effected except upon presentation of a certificate issued without cost by the Tax Collector who receives payment of fees for transmission on death.

Where the transfer, conveyance, conversion, or refund requires the production of a certificate of ownership issued in accordance with regulations governing registered securities, it shall be incumbent on the person drafting the instrument to endorse the certificate issued by the Tax Collector, if necessary, as provided in the preceding paragraph. The responsibility of the certifying official shall, in such case, be substituted with that of the company or local authority.

Anyone acting in contravention of the foregoing provisions shall be personally liable for the fees and fines due, except for appeals against the taxpayer, and shall be liable for an additional fine of 5,000 CFAF.

Section 402.- Where the transfer, conveyance, conversion of registered securities to bearer bonds is effected in order to negotiate the registered security, the certificate of the Tax Collector referred to in the preceding Section may be replaced with a declaration of the parties on unstamped paper, stating clearly the securities in question and indicating that the transfer is done to permit payment of fees for transmission on death and that the proceeds shall be paid directly to the competent Tax Collector so as to receive the declaration of estate through the intermediary responsible for the negotiation.

Any intermediary who fails to effect the payment provided for under the preceding paragraph shall be personally liable to a fine equal to the amounts unduly withheld.

DIVISION X:
FIRE INSURANCE TAKEN OUT BY DECEASED PERSONS

Section 403.- In all declarations of transfer on deaths, heirs, legatees or donees, shall indicate whether the movables being transferred have been insured against fire under a still valid policy, stating the date of the contract, the insurer's name or corporate name as well as the amount of the coverage.

Any declaration of transfers on death which fails to include this specification shall be deemed to be non-existent.

DIVISION XI:
NOTICE BY INSURERS

Section 404.- Companies, insurance companies and all other insurers within the Community or abroad which sign a fire insurance contract or agreement that is still valid at the time of death for movable property located within a CEMAC State and forming part of an inheritance or belonging to the spouse of a deceased person shall, within a fortnight from the day they were informed of the death, forward to the Tax Collector at the place of residence of the deceased, notice containing the following information:

1) insurer's name or corporate name and registered address;

2) full name and address of the insured as well as the date of his death or the death of the spouse;

3) the number, date and duration of the insurance policy, as well as the value of the insured items.

Acknowledgement of receipt thereof shall be required.

Whoever violates the preceding provisions shall be liable to a fine of 5,000 CFAF.

DIVISION XII:
OBLIGATIONS OF DEPOSITARIES OR DEBTORS OWING AMOUNTS DUE AS A RESULT OF DEATH

Section 405.- (1) Government services, establishments or all other bodies subject to control by administrative authorities, firms, companies, stockbrokers, money changers, bankers, discounters, law officials or business agents who are depositaries, holders or debtors of title deeds, sums or securities forming part of an estate on which they have initiated proceedings, shall forward, either prior to the payment, return or transfer, or within a fortnight following the transactions, the list of the said title deeds, sums or securities to the Tax Collector at their places of residence. A receipt shall be issued thereof.

(2) National life insurance companies and their branch offices set up within the Community and foreign companies may not pay any amounts, annuities or emoluments to any beneficiary resident in the community following the death of the insured person, except on the presentation of a certificate issued free of charge by the Tax Collector, in accordance with Section 401 (1) of this Code, establishing the payment or exemption from the tax on transfer on death, except where they prefer to hold as Treasury guarantee a sum equal to the amount of the fees calculated on the amounts, annuities or emoluments due, up to the time they present the certificate issued by the Tax Collector.

(3) Anyone who infringes the provisions of this Section shall be personally liable for the fees and penalties due, except where a petition is lodged against the debtor, as well as an additional fine of 5,000 CFAF.

DIVISION XIII: OBLIGATIONS OF COLLECTORS

Section 406.- Collectors of taxes may not, for any reason, including assessment by experts, defer the registration of instruments and transfers on which fees have been paid at the rates laid down in the present Code.

They may not suspend or halt procedure by withholding instruments or writs; provided that when an instrument or writ of which no copy is available contains information that may be of value in determining liability to fees, the Collector may have a copy made and certified by the official who presented it. In the event of refusal, he may withhold the instrument for not more than twenty-four hours in order to obtain a copy in due form at his expense, subject to claiming these costs back where applicable.

The present provision shall apply to instruments under private seal which are presented for registration, subject to the provisions of Section 369 of this Code.

Section 407.- The receipt for registration shall be placed on the instrument registered or on the declaration of the new owner.

The Collector shall show the date of registration, the register folio number, and the fees charged in words.

When the instrument contains two or more provisions each subject to a separate fee, the Collector shall mention them summarily and show the separate fees charged.

For instruments under private seal which are presented with the original for registration, separate registration fees shall not be charged and the receipt shall be given on each copy.

Section 408.- The Tax Collector may deliver extracts from his registers only by order of the President or the Court, when the said extracts or copies are not requested by a contracting party or an assign thereof; they shall be paid 1,000 CFAF for searching through each year indicated and a year commenced shall be considered as a full year.

Section 409.- No public authority, registration office, or any official thereof, may grant a rebate or reduction of the duties laid down by this Code or suspend or cause the suspension of the collection of such duties, under pain of personal liability.

However, the Tax authority shall reserve the right not to require a declaration in the case of lineal inheritance and between spouses where it can be presumed that such inheritance did not include fixed property and is not liable to any duty.

DIVISION XIV:
REBATE OR REDUCTION OF FEES AND FINES

Section 410.- Competent authorities in each Member State may grant a rebate or reduction of fees and fines.

CHAPTER XIII:
COLLECTION AND DISPUTES

DIVISION I:
COLLECTION

Section 411(new).- Duties, taxes and, in general, all other levies normally collected by the Directorate General of Taxation shall be collected in accordance with the rules set out in the *Manual of Tax Procedures*.

Such claims shall, failing payment within the time-limit, be made through collection orders issued by the Taxation Centre with territorial jurisdiction.

The taxpayer shall be notified of the Collection Order, which shall serve as an injunction to pay without delay the fees demanded which shall be due forthwith.

The notification of the Collection Order shall stay the statute of limitations against the Tax authority and replace it with the statute of limitation under ordinary law.

Section 412 (new).- The rules of procedure for litigation and collection of stamp duty shall be the same as those set forth in the *Manual of Tax Procedures* with respect to direct taxes, duties and fees.

Section 413.- *Deleted.*

Section 414.- *Deleted.*

Section 415.- *Deleted.*

Section 416.- *Deleted.*

DIVISION II:
PROCEEDINGS BY PART IES AND COURTS

Section 417.- *Deleted.*

Section 418.- *Deleted.*

Section 419.- *Deleted.*

CHAPTER XIV:
STAMP AND STAMP DUTY

DIVISION I:
GENERAL PROVISIONS

Section 420.- Stamp duty in countries of CEMAC is established independent of registration fees, on all papers to be used for civil and legal instruments and documents which may be brought before law courts as proof.

It shall be collected on the basis and in accordance with the rules laid down in this Code.

Section 421.- Stamp duty shall be fixed according to the nature of the instruments subject thereto.

There shall be no exemptions except those expressly indicated in this Code.

Section 422.- Stamp duty shall be paid by use of stamped paper, use of stamping machine, use of adhesive stamps, or by endorsement for stamp duty, or against declaration or on production of statements or extracts, or at a fixed rate.

Section 423.- Payment of fees of any nature shall be by means of adhesive stamps of a kind and with various face values, of stamped paper, of endorsement for stamp duty, of machine stamping or on production of statements, except as provided for by this Code.

Section 424.- Each stamp shall distinctly bear its price and the legend shall be an inscription of the name of the member State of the Community in which it was produced.

Section 425.- Without prejudice to any special provisions contained in this Code, the following shall be jointly and severally liable for the payment of stamp duty and fines:

- all signatories of sygnallagmatic instruments;
- lenders and borrowers of all obligations;
- law officials who have received and drawn up instruments referring to unstamped instruments.

Section 426.- In general, stamp duty shall be paid by the party whose interest the instrument serves.

Section 427.- Stamp duty on all instruments between regional and local authorities of a Member State or between a public body of the union on the one hand, and private individuals, on the other hand, shall be borne by the latter.

DIVISION II:
STAMP DUTY BASED ON PAPER SIZE

A - General rules

Section 428.- Stamp duty based on paper size shall be charged on all paper used for original drafts, extracts and true copies of the following instruments and documents:

1) notarial instruments, extracts and copies thereof;

2) instruments of bailiffs and copies thereof;

3) instruments and judgments of lower courts or other such courts, the police, and arbitrators, extracts and copies thereof;

4) special instruments of lower courts and their registrars, extracts and copies thereof;

5) instruments of defense counsels and proxies recognized by the courts and extracts or copies thereof, except, however, for pleas presented in letter form and giving rise to prior pleadings or petitions;

6) instruments of duly constituted administrative authorities which are subject to registration or issued to citizens and all copies and extracts of instruments, in particular civil status certificates, and extracts of decisions and proceedings of the said authorities, which are issued to individuals;

7) instruments of administrative authorities and public institutions concerning the transfer of ownership, usufruct or enjoyment, public sale by auction to highest or lowest bidder and by tender and the sureties relating to such instruments;

8) all memoranda, requests or petitions in the form of letters or otherwise, addressed to duly constituted administrative authorities or Government services;

9) instruments between individuals under private contract and copies of private revenue or management accounts;

10) registers of legal offices in which instruments subject to registration of original drafts are recorded as well as registers in registries pertaining to civil and commercial matters;

11) registers of notaries, bailiffs and other law officials;

12) registers of firms and joint stock companies;

13) registers of private establishments and schools;

14) instruments of business agents, directors, managers, creditors' syndics, and suppliers;

15) instruments of post and parcel services;

16) instruments of bankers, merchants, ship owners, traders, manufacturers, brokers, stockbrokers, where they are brought before law courts;

17) bills submitted to the State, semi-public companies, administrative and semi-administrative bodies;

18) in general, all instruments, books, extract and copies, whether public or private, for use in respect of obligations, discharge, evidence, applications or defense; all books, registers and copies of letters such as may be produced in court as being authentic, as well as extracts and copies made of such books or registers;

19) extracts from criminal records;

20) transires;

21) signed plans;

22) copies of title deeds;

23) statements and invoices in excess of 25,000 CFAF submitted to public accounting officers as evidence of expenditure;

24) declarations of verbal leases;

25) declarations of succession;

26) acknowledgements of underestimation.

B - Special applications

Section 429.- Copies of judgments destined to parties appointing notaries, counsels for the defense, registrars, bailiffs, brokers and auctioneers;

1) one of the two copies of the declaration which law officials must submit to the registration office prior to conducting a public sale by auction of movables; the copy subject to stamp duty is the one to be appended to the report of the sale;

2) applications submitted by taxpayers to registrars of administrative courts in respect of matters of direct taxes and other such taxes;

3) proxies with regard to complaints submitted or defended by others in matters of direct taxes and other such taxes;

4) appeals against decisions of administrative courts in matters of tax complaints;

5) receipts for goods deposited in bonded warehouses;

6) money order payments or verification lists sent to creditors by registrars in registration and taxation matters.

7) such documents shall be drafted on a half sheet of paper, containing thirty-five lines per page of twenty-five syllables per line, compensation being made from sheet to sheet;

8) appeals in respect of ultra vires or breaches of the law, in pension matters;

9) instruments drawn up to establish insurance agreements or life annuities and all additional clauses to these agreements, as well as copies or extracts thereof.

Section 430.- Photocopies and other reproductions using photographic means or others made to serve as copies or extracts shall be subject to stamp duty equal to that of written documents.

C - Special rules relating to copies of writs

Section 431.- Stamp duty on copies of writs, of notifications of all judgments, and of instruments or documents shall be discharged by machine, stamping or by endorsement for stamp duty by the Inspector on the first page of the original of the writ at the time of its submission for registration formalities.

Section 432.- Notwithstanding the entries prescribed by the law in force in each Member State of the Community, bailiffs and process servers shall clearly state at the foot of the original and the copies of each writ or process:

1) the number of sheets of paper used, both for copies of the original and for copies of the documents served;

2) the stamp duty payable based on paper size.

Any omission shall be punishable with a fine of 2,000 CFAF.

Section 433.- It may not be allocated as tax and law officials may not request payment as refund of stamp duty on copies, any amounts exceeding the value of the stamps affixed in implementation of the foregoing provisions.

Section 434.- Paper to be used for producing copies of writs may not be smaller than half the size of a normal sheet of paper.

Section 435.- Copies of writs, notifications of all judgments, and of instruments or documents must be accurate, legible, without blanks or deletions and without abbreviations.

Section 436.- Copies of writs, notifications from defense-counsel to defense-counsel and notifications of any judgment, instrument or document may not contain:

- on half a sheet of normal paper of thirty-five lines per page and twenty-five syllables per line;
- on standard, more than thirty five lines per page and thirty five syllables per line;
- on a register page, more than forty lines per page and forty syllables per line.

Section 437.- Any infringement of the provisions of Section 435 above shall be liable to a fine of 2,000 CFAF.

D - Rates and collection

Section 438.- Paper to be used as official paper for stamp duty purposes shall be produced in the following sizes:

(2) The stamp duty on administrative documents issued through electronic means shall be paid on-line, in accordance with the procedures specified by regulation.

Section 440.- Tax Collector may substitute the endorsement formality for any kind of stamp duty based on paper size by affixing adhesive stamps.

Paper or parchment to be used in drafting instruments of all kinds and copies issued by law officials may be stamped by affixing adhesive stamps, provided that such paper and parchments are stamped before their use.

Description	Format	
	Length	Width
- register page	54	42
- standard paper	42	27 or 29.7
- ½ sheet of normal paper	27 r 29.7	21

The adhesive stamp must be affixed on the top left-hand corner of the f the page.

Section 441.- Wherever this Code permits or requires the use of adhesive stamps, the stamp shall be obliterated by law officials or civil servants for instruments published and by the parties for private instruments not compulsorily subject to the registration requirement.

For instruments which by their nature must be submitted to a service, the obliteration shall be done by the said service.

Section 442.- Obliteration shall consist of an inscription in ordinary black ink across the seal of the date, place at which the stamp was affixed and the signature of the competent person who effected the obliteration.

Obliteration may also consist of signing in thick ink, stating the place of residence, the name or company name of the party, as well as the date of obliteration. This shall be done in such manner that the text, date and signature or seal go over the edge of the stamp on each side.

Section 443.- There shall be an adhesive stamp of a single size for the payment of all fixed general or special rates.

Section 444.- The rate of stamped paper supplied by the administration and stamp duty based on paper size which taxpayers cause to be stamped shall be determined by each State, according to the following sizes:

Description	(Format)	Rate
- register page	(0.42 x 0.54)	-
- standard paper	(0.27 x 0.42)	-
- Half sheet of normal paper	(0.21 x 0.27)	-

Section 445.- Stamp duty shall not exceed 1,600 francs or fall below 300 CFAF, irrespective of paper sizes, whether they exceed register paper or

Section 446.- If paper or parchments that are subject to adhesive stamp are of sizes other than those of official paper, the duty based on paper size shall be paid at the rate of the next higher size of official paper.

E - Prescriptions and prohibitions of stamp duty based on paper size

Section 447.- Notaries, bailiffs, arbitrators and clerks and other public depositaries may use only stamped paper either of half the size of standard paper or the next higher size for copies and extracts they issue in respect of instruments in their custody to serve as originals of those filed or appended.

Section 448.- Paper used for copies may not contain, with compensation from page to page, more lines per page and syllables per line other than as stipulated in Section 435 above.

Section 449.- Parties who draft an instrument by private agreement shall prepare a copy on stamped paper, with the same signatures as those on the instrument itself, which shall be lodged at the Tax Collection Office when so required.

Section 450.- A fine of 2,000 CFAF shall be paid for:

1) any public instrument or copy written on unstamped paper;
2) each instrument or document signed under private agreement and subject to stamp duty based on paper size, but which was written on unstamped paper;
3) each copy which contains a higher number of lines per page than that prescribed under Section 448 of this Code.

Offenders shall, in addition, pay the relevant stamp duties.

DIVISION III:
STAMP DUTY ON THE ISSUE OF CERTAIN DOCUMENTS AND MISCELLANEOUS ITEMS

A - Passports, passes, safe-conduct and visas

Section 451.- Fiscal stamp rates for the issue or extension of the validity of passports for individuals or groups of persons shall be fixed by each State.

This rate shall be collected by means of fiscal stamps affixed by the Administrative authority on the passport booklet in use in each Member State.

Section 452.- Authorities responsible for issuing passports shall have the right to extend the validity thereof.

Such extension shall be established by fiscal stamps affixed on the passport.

These stamps shall be affixed close to the extension inscription by the competent authority and shall be obliterated as stipulated in Section 442 of this Code.

Section 453.- The stamps affixed on a group passport shall be valid only for one return trip.

Section 454.- The stamping of an exit visa on a passport may entail payment of stamp duty.

Section 455.- The visa stamped on passports of nationals of countries outside the Community and which are issued through diplomatic or consular services of Member States shall entail payment of stamp duties; the visas involved are:

- non-stop transit visa;
- transit visa for a stay of less than 10 days;
- visa for a short stay of between 10 days and three months;
- tourist visa (less than 30 days);
- visa valid for one year and for a single or multiple entries;
- permanent visa for a stay of more than three months;
- visa on a collective passport;
- re-entry visa;
- re-entry visa valid for one year and for a single entry;
- re-entry visa valid for one year and for multiple entries;
- re-entry visa valid for 18 months and for a single entry;
- re-entry visa valid for 18 months and for multiple entries.

Section 456.- Nationals of Member States of CEMAC shall be exempted from payment of stamp duties referred to in Section 454 above.

Nationals of countries outside CEMAC shall be exempted from payment of stamp duties stipulated in Section 455 above, subject to reciprocity.

Section 457.- Visa fees on national passports issued to foreigners shall be collected by affixing stamps. These stamps shall be affixed on the passport close to the visa inscription. They shall be obliterated by a signature in bold ink indicating the date of obliteration and in such manner that the inscription extends over the edge on both sides of the adhesive fiscal stamp.

Section 458.- Where a passport or a visa is issued without charge by the administrative authority after justification on the person's destitution, it shall be indicated on the passport or near the visa that it had been issued free of charge.

Failing such indication, the holder may be deemed to be using an unstamped passport and liable to a fine of 5,000 CFAF in addition to the stamp duty stated above.

Section 459.- Passes issued in lieu of passports and safe conducts abroad and which are valid for a short stay and a return trip shall be subject to stamp duty.

B - Identity and residence cards

Section 460.- Identity cards and the duplicates thereof issued in each Member State of the Community, as well as their renewal shall be subject to stamp duty.

Section 461.- Residence cards issued to foreign nationals shall be subject to stamp duty, depending on whether it is:

- a renewal; or
- a duplicate.

Section 462.- Residence permits issued to foreigners shall be subject to a stamp duty at the following rates:

- temporary resident, validity of not more than one year;
- ordinary resident, validity of not more than one year;
- privileged resident, validity of not more than two years.

Section 463.- Stamp duty applicable to identity cards, residence permit issued to foreigners shall be paid by affixing adhesive stamps. They shall be obliterated in accordance with the provisions of Section 442 above.

C - Motor vehicles

1- Stamp duty on driving licenses

Section 464.- A stamp duty shall be charged on driving licenses, depending on whether they are:

- national driving licenses; or
- duplicates thereof.

Section 465.- The issuing of proficiency certificates to drive some urban transportation vehicles, especially taxis, shall be subject to stamp duty.

2 - Vehicle registration licenses

Section 466.- Vehicle registration licenses of motor vehicles and other motorized conveyances and the duplicates thereof shall be subject to a stamp duty.

D - Firearms licenses

Section 467.- Firearms licenses shall be subject to stamp duty at the time they are issued or renewed. This shall also apply to duplicates thereof.

E - Licenses for hunting and like Activities

Section 468.- Licenses for hunting and like activities mentioned below as well as duplicates thereof shall be subject to a stamp duty, as follows:

(a) small game hunting license for residents;
(b) small game hunting license for non-residents;
(c) big game hunting license for residents;
(d) big game license for nonresidents;
(e) license to capture wild animals;
(f) professional photographic hunting license;
(g) amateur photographic hunting license;
(h) professional cine-camera hunting license;
(i) amateur cine-camera hunting license.

F - Transport contracts and bills of lading

Section 469.- Bills of lading drawn up in respect of the transport of goods by river or sea shall be subject to stamp duty regardless of the number of copies.

This duty shall be paid against a declaration during the first month of each quarter for all bills of lading drawn up in the previous quarter.

Section 470.- Contracts for the transportation of goods by road, air or inland waterway established by a waybill or any such other document shall be subject to stamp duty.

This duty shall be collected on the basis of a statement following declaration by the carriers during the first month of each quarter for transport documents used during the previous quarter.

In case of transportation within member States of the Community, this duty shall be collected at the place where the contract was drawn up.

Section 470 a: Contentious and non-contentious claims, applications for deferment of payment, applications for compensation, refund or restitution of taxes, applications for tax incentives and rebates, applications for tax transactions and for approvals or authorisations **of any kind** are subject to a specific stamp duty

DIVISION IV:
STAMP DUTY ENDORSED IN DEBIT

Section 471.- A special visa on the instrument in lieu of stamp duty endorsed in debit shall be required for instruments which are subject to special visa in lieu of registration in debit and which are not exempted from stamp duty. All instruments which are subject to registration in debit and not exempted from stamp duty shall be subject to stamp duty endorsed in debit.

Section 472.- The requirement for endorsement in debit shall be concretized by a visa which is dated and signed by the competent Tax Collector. The visa shall state in detail the fees subsequently due in figures and the total thereof in words.

DIVISION V:
GENERAL EXEMPTIONS

Section 473.- In addition to instruments which may be exempted by special instruments, the following shall, in general, be exempted:

1) all judgments or judicial decisions regardless of the court concerned, and which are not final;

2) instruments drawn up by virtue and in application of regulations on industrial accidents and occupational diseases, as well as copies of reports of investigations parties may cause to be issued to them in matters of industrial accidents;

3) all instruments drawn up in the implementation of labour law;

4) registers of all public administrative services and public establishments for maintaining order and for general administration;

5) instruments on advances from securities of Member States or securities issued by the Treasuries of these same Member States;

6) application for legal assistance by an individual written on plain paper;

7) application for a police record issued to individuals;

8) checks and bank transfer orders;

9) checks drawn on post office accounts;

10) receipts issued to registrars by Tax Collectors, extracts of judgments which registrars must furnish in the implementation of the laws on registration;

11) indigency certificates, passports and visas on passports issued to indigents who are recognized as being unable to pay the cost;

12) trade registers;

13) service books;

14) military service books;

15) diplomatic and service passports issued to civil servants and employees of member States travelling abroad on mission;

16) receipts of all kinds;

17) instruments drawn up by notaries and certified documents establishing or giving notification of the dissenting voice of ascendants to a marriage to be contracted;

18) opinions of parents of minors whose indigence has been established by competent authorities;

19) quarterly lists of death certificates which mayors forward to Tax Collectors, as well as receipts thereof;

20) petitions and memoranda submitted to constituted authorities, administrative services, as well as petitions for assistance forwarded to constituted authorities;

21) requests for information or routine correspondence addressed to public administrative services;

22) instruments relating to the swearing in of magistrates, civil servants or employees of member States, of their auxiliary services or of their regional and local authorities;

23) instruments or documents for the sole purpose of protecting war orphans;

24) declarations referred to by trade register regulations;

25) civil status registers and annual and ten-year tables of these registers;

26) work certificates issued to workers, employees or servants;

27) the second copy kept in the service in charge of registration of the declaration in respect of the public sale by auction of movables;

28) instruments for purchase, exchange or lease and in general all written documents whose prices and fees are charged to member States as well as their regional and local authorities;

29) tax returns of all kinds;

30) declarations in respect of settlement of taxes and custom duties;

31) all contracts concluded between member States and their regional and local authorities in respect of the recruitment of personnel of administrative services;

32) all instruments and transfers between social insurance bodies in the execution of their social mission and whose fees would have been borne by the said bodies;

33) purchase orders for goods in firms, in accordance with local practices;

34) applications for authorization to transfer capital and import or export goods;

35) procedural instruments in respect of legitimation of children born out of wedlock;

36) notifications by bailiffs in respect of rulings without the requirement for immediate execution for the recovery of commercial claims below 25,000 francs;

37) non assessment certificates, tax returns or copies thereof, issued by administrative services.

DIVISION VI: MISCELLANEOUS PROVISIONS

Section 474.- No person may sell or endorse in debit stamps or stamped papers or use a stamping machine except when so commissioned by the Administration under the pain of a fine of CFAF 1, 000, 000 (one million) in the first instance and CFAF 10, 000, 000 in case of a subsequent offence, without prejudice to criminal sanctions.

Fiscal stamps and stamped paper seized from persons selling them shall be confiscated for the benefit of the Treasury.

Section 475.- Subsidiary outlets may be set up by special regulations enacted in the manner in force in each Member State.

Section 476.- Stamps or stamped paper used on any instrument may not be used for another instrument, even if the paper was not used completely.

Section 477.- No two instruments may be drawn up or dispatched one after the other on the same stamped paper, irrespective of any common practice or regulation to the contrary.

Except for:

- ratification of instruments drawn up in the absence of parties concerned;
- receipts for sales and those for refunds on settlement contracts and obligations;
- reports on acknowledgement and removal of the seals which may be prepared following a report on the affixing of such seal, and the notifications of bailiffs which may be written subsequent to interlocutory judgments and other documents for which copies are issued.

Several authentic receipts may be given or issued by accountants of public funds on the same sheet of stamped paper for advance on one and the same claim or a single period of a leasehold or rents. All other receipts issued on the same stamped sheet of paper may not have more effect than they would have had on an unstamped paper.

Section 478.- The imprint of the stamp may neither be covered nor altered.

Section 479.- It shall be forbidden for notaries, bailiffs, registrars, artists and experts to act, for judges to pronounce any judgment, for public administrative services to draft an order on an instrument, register or bill of exchange which is not on paper stamped at the prescribed rate or not endorsed for stamp duty.

No judge or law official may mark or sign a register subject to stamp duty, if the pages thereof are not stamped.

Section 480.- Statements of fees drawn up by defense counsels, bailiffs, registrars, notaries and clerks must indicate clearly in a separate column and for each disbursement, the amount paid as fees to the Treasury.

Section 481.- Where a bill, share certificate, security, book, note, insurance policy or any other instrument subject to stamp duty and not registered is referred to in a public, judicial or extrajudicial instrument, and should not be presented to the Tax Collector at the time of registration of such instrument, the law official shall be bound to explicitly state in the instrument whether the security has been stamped at the prescribed rate and to indicate the amount of the stamp duty paid.

In case of omission, notaries, defense counsels, registrars, bailiffs and other law officials shall be liable to a fine of CFAF 10, 000 for each offence.

Section 482.- It shall also be forbidden for any Tax Collector to:

- register any instrument which is not drafted on stamped paper at the prescribed rate or which has not been endorsed for stamp duty;
- accept for registration protests of negotiable bills without such bills being presented to him in due form.

Section 483.- Private documents drafted on unstamped paper without breach of stamp duty regulations, though not included in the list of exemptions may not be brought before law courts without having been either stamped by machine, endorsed for stamp duty or stamped using adhesive stamp, under pain of a fine of CFAF 10, 000 in addition to the stamp duty.

Section 484.- Subject to agreements aimed at avoiding double taxation, any instrument drafted or signed abroad shall be liable to stamp duty before it can be used in a member State of the Community, either in a public instrument, in any declaration or before a judiciary or administrative authority.

Section 485.- All business firms regardless of their form and object, all partnerships, entrepreneurs of any kind of enterprise, all insurance companies for insurance transactions located in member States of the Community shall be subject to control by employees of the Directorate of Taxation and Inspector-Controllers; they shall be bound to grant these employees, who should rank at least as Inspector or, acting in that capacity, at both the head offices and branch offices, access to their books, registers, securities, policies, revenue expenditure and accounting documents and any other document such as minutes, reports, and correspondence to enable them ascertain whether stamp duty regulations are being respected.

Section 486.- The powers granted to employees of the Directorate of Taxation in application of Section 485 above in respect of firms may equally be exercised with regard to any person(s) or establishment(s) engaged in banking activities with a view to controlling the payment of stamp duties owed by the latter as well as third parties.

Section 487.- The same shall also apply to all law officials and traders who make an annual turnover of more than one million (1,000,000) CFAF.

Section 488.- No administrative services in member States, nor their regional and local authorities enterprises transferred or controlled by these States, establishments or bodies whatever subject to the control of the administrative authority, may use professional secrecy to bar employees of registration services ranking at least as Inspector or acting in that capacity, who, for purposes of establishing the amount of taxes owed by virtue of existing instruments, need access to documents of such services.

Section 489.- Any refusal of access shall be entered in a report and shall be punishable by a fine of 50,000 CFAF.

Section 490.- In addition to the fine prescribed in Section 489 above, any firms, partnerships and others subject to control by employees of registration services shall, in case of proceedings, be ordered to present the documents withheld under pain of a minimum penalty of 500 CFAF per day of delay.

This penalty shall run from the date of signature by the parties or of notification of the report drawn up to establish the refusal to execute a duly notified judgment. It shall cease on the day it is established through an inscription by an employee effecting controls on one of the main books of the firm or establishment to the effect that the Administration has been able to gain access to the documents requested.

Section 491.- Employees of the Directorate of Taxation shall be authorised to seize whatever instruments, registers, bills or documents which violate the stamp duty regulation and which are presented to them. These shall be appended to their report, except where the offenders agree to sign the said reports or pay the fine and the stamp duty on the spot.

Section 492.- Customs, Taxation or Treasury Directorate employees shall have the same powers as employees of the registration service in respect of establishing stamp duty offences in instruments or documents under private agreement and of seizing documents.

Section 493.- Stamp duties and fines for related offences shall be collected by distraint order failing which proceedings shall be instituted and judgment passed in accordance with the registration regulation.

Section 494.- With regard to stamp duty collected by the registration service and which are not subject to the payment of fines for late payment by the instruments in force, interests on overdue payments shall, with effect from the date of the distraint order, be calculated at the rate of 6% per month of delay for overdue amounts. Any month commenced shall count as a full month.

Section 495.- For purposes of collecting stamp duties, additional fees, fines and penalties, the Treasury shall have a preferential right over the debtor's furniture and personal effects.

This right shall be similar to that provided for in respect of registration fees.

Section 496.- Any offences against stamp duty regulations shall be punishable by additional fees, with a minimum of CFAF 10, 000.

Section 497.- Any infringement to the provisions of Section 476 above shall be punishable by a fine equal to five times the value of the stamps used, with the minimum fine being 10,000 francs.

CHAPTER XV: TRUSTEESHIP OF ESTATES IN ABEYANCE AND UNCLAIMED PROPERTY

DIVISION I: GENERAL PROVISIONS

A - Official trustees or provisional administrator

Section 498.- Within the territory of each member State of the Community, the management of unclaimed property and trusteeship of estates in abeyance and property declared unclaimed shall be entrusted exclusively to Taxation Services which shall act as official trustees or provisional administrator thereof through its employees.

Section 499.- The duties of official trustee or provisional administrator shall consist of managing and administering property of estates in abeyance and unclaimed property. For this purpose, employees who perform these duties in the capacity of legal proxies shall administer and manage movables and fixed entrusted to them so as to preserve such property and maintain their profitability in the best possible manner, until such time that the said property shall become State property or they shall be handed over to heirs, who make themselves known later.

Section 500.- The administration of the estate of persons who are missing or absent and who have no heirs or duly appointed representatives in the member States of the Community, shall be entrusted to an official trustee or a provisional administrator.

B - General obligations of the official trustee or provisional administrator

Section 501.- Official trustees or provisional administrators shall discharge their duties diligently particularly by:

- ensuring full execution of the clauses of the contract;
- ensuring that timber is conserved;
- ensuring that land, livestock, buildings, furniture, tools and any other objects are entered in the inventory report;
- collecting all sums and securities appertaining to the estate;
- instituting any proceedings necessary against debtors of the estate in abeyance and unlawful holders of unclaimed property;
- keeping the books on their management;
- regularly informing the Trusteeship Council and reporting to the court on their management.

Section 502.- The official trustee or provisional administrator may not repair buildings entrusted to them when the cost of such repairs exceeds the amount set by each member State, unless expressly authorized by the court.

Section 503.- The official trustee or provisional administrator shall be personally liable for any gross negligence he may commit in his management until the accounts are officially approved and closed. He shall in this case bear any expenses pertaining to the estate.

Section 504.- With regard to title deeds and before instituting legal proceedings, the official trustee or provisional administrator shall obtain the authorization of the Trusteeship Council. Where the official trustee or provisional administrator acts without such authorization, he shall be deemed to have committed a gross negligence. Authorization shall not be necessary for instruments that are purely provisional in nature.

Section 505.- Where the official trustee or provisional administrator is unavailable, he shall be represented or replaced by another officer.

Section 506.- When property and effects appertaining to the same estate are situated in several jurisdictions, the said property and effects in each jurisdiction shall be administered separately by the official trustee or provisional administrator of that jurisdiction, who shall hand them over to the trustee of the place of settlement of the estate.

C - Remuneration of the official trustee or provisional administrator

Section 507.- Irrespective of his out-of-pocket expenses in respect of taxes and charges, fees and allowances, the official trustee or provisional administrator shall be granted remuneration whose amount shall be determined by each member State of the Community.

The public accounting officer shall receive special remuneration for centralizing the trusteeship receipts.

The remuneration, including out of-pocket expenses, of the official trustee or provisional administrator, as well as that of the public accounting officer shall constitute a preferential claim on the estate. They shall rank with court charges.

The various official trustees or provisional administrators shall pay to the central authority (Department of Taxation) responsible for controlling all Trustee Offices a certain percentage to be determined by each member State, of all remittances collected.

DIVISION II: ESTATE IN ABEYANCE

A - Information of the official trustee or provisional administrator

Section 508.- Under pain of the prosecution and penalties provided for by the law in force in the member States, the director of hospitals, clinics, and hospital establishments, keepers of inns and hotels, and all those in whose premises a person has died shall be bound to inform the civil status registrar thereof, and to declare the sums of money, documents and other moveable effects that were in the deceased's possession at the time of death.

When a death is notified, the civil status registrar shall ascertain whether the heirs of the deceased are absent or unknown and immediately inform the official trustee or provisional administrator who shall, if need be, take possession of the property left by the deceased.

The official trustee or provisional administrator shall inform the President of the court of the place of death.

B - Affixing of seals

Section 509.- The official trustee or provisional administrator, having been informed of a death and established that no heirs, sole or residuary legatee and executor has come forward, may or should, before the expiry of the deadline for filing of a vesting order, request the court to transfer the estate to temporary possession, seek authorization to have seals affixed and assume control of the estate presumed to be in abeyance or the unclaimed property.

C - Advertising

Section 510.- The official trustee or provisional administrator shall as soon as possible have notice of an estate deemed to be in abeyance published free of charge in the Official Gazette or in a journal of legal notices of the member State in which the said estate is found or by any other means.

This notification shall call upon the creditors of the estate to prove their claims either to the official trustee or provisional administrator or, where applicable, to the law official responsible for establishing the inventory, and call upon the debtors to come forward.

The official trustee or provisional administrator shall take all necessary steps to find the rightful claimants.

D– Inventory

Section 511.- Not more than twenty five (25) days after the affixing of the seals, the official trustee or provisional administrator shall have the seals removed and an inventory of the estate in abeyance established.

When the assets of the estate do not exceed an amount set by each member State or consist solely of securities, a description drafted by a judge assisted by a registrar, in the presence of the official trustee or provisional administrator, shall, to avoid expenses, take the place of the inventory.

Section 512.- Any inventory shall begin with an examination of documents in order to identify the heirs who are absent and, if need be, obtain information concerning their place of residence and especially establish the existence or absence of a will.

Section 513.- When the documents of the deceased or absent person listed in the inventory contain information concerning the heirs, the official trustee or provisional administrator shall, without waiting for the end of the inventory operations, immediately notify them by letter, to be marked in the appropriate register, and insofar as possible, of the assets and liabilities of the estate.

A copy of the said letter shall be kept in the estate file.

Section 514.- Not more than fifteen (15) days after the close of the inventory, the official trustee or provisional administrator shall forward to the taxation authority and the Lands Department a statement setting out:

1) the full name and occupation of the deceased;

2) the date and place of death;

3) the place of birth of the deceased;

4) the full names and addresses of their heirs or spouses if known;

5) the full names and addresses of partners;

6) the names and addresses of the legatees or executors;

7) the date of the will;

8) the content and date of the inventory or description.

DIVISION III: MANAGEMENT OF ESTATES IN ABEYANCE AND UNCLAIMED PROPERTY

A - Management by the official trustee or temporary administrator alone

Section 515.- The official trustee or provisional administrator may cause the moveable effects which are liable to deteriorate to be sold, even before the inventory has been closed, subject to authorization by court order.

The sale shall in principle be by public auction; provided that a private sale may be made subject to court order specifying the names and occupations of the purchasers and the proposed prices.

Section 516.- Real estate may be sold only in exceptional cases by the official trustee or provisional administrator within the framework of his management duties, subject to express authorization by a court ruling or by any other competent authority acting on the reasoned recommendation of experts.

The sale shall be by public auction.

Section 517.- Under pain of nullity, the official trustee or provisional administrator, his relatives or connections shall not, whether directly or indirectly, purchase by private sale or auction any real estate, moveable property or securities appertaining to the estate which he is administering.

Instruments established in violation of this provision shall be null and void.

B- Management by the official trustee or provisional administrator with third parties

Section 518.- Where the person who dies without heirs present or represented holds interests or shares in a company, the official trustee or provisional administrator shall assume the deceased's rights and obligations in the said company.

The official trustee or provisional administrator shall cause to be presented to him the securities which belonged to the deceased in order to certify the rights of the estate in the general inventory.

B - Accounting obligations of the official trustee or provisional administrator

Section 519.- The official trustee or provisional administrator shall, for management purposes, keep the following registers:

- a journal of receipts and expenses;
- a register or accounts ledger.

These registers shall be numbered and initialed by President of the Court with jurisdiction over the Tax Collection Office.

Section 520.- At the end of each month, the official trustee or provisional administrator shall deposit all receipts collected during the month with the Collector of Taxes.

Section 521.- For each estate under this administration, the official trustee or provisional administrator shall draw up a complete list of creditors. The said list shall be submitted to the President of the court in order that payment of the said creditors may be authorized after considering any opposition.

The official trustee or provisional administrator shall pay the creditors:

- against certified statements or accounts signed by him in the case of unsecured debts;
- against proper statements of ranking or collective authorization, in the case of preferred claims or mortgaged debt.

D - Supervisory institutions

1 - Trusteeship council

Section 522.- A Trusteeship Council shall be formed in each judicial area with a Tax Collection Office, comprising at least 3 (three) members as follows:

- President of the court, chairman ;
- a Judicial or Legal Officer member;
- a Government representative member.

Section 523.- The Trusteeship Council shall examine matters to be brought before law courts or any matter which the official trustee or provisional administrator may submit to it.

Grounds shall be stated for the decisions of the Trusteeship Council which shall take the form of opinions; they shall be notified to the official trustee or provisional administrator by the chairman.

Section 524.- The Trusteeship Council shall meet as often as necessary. It shall be convened by its chairman on his own initiative or at the request of the official trustee or the provisional administrator.

The minutes of meetings shall be recorded in a special register signed by the chairman.

2 - Reserved fund

Section 525.- Where the essential management expenses in respect of an estate, including court charges, cannot be covered by the sums collected, such expenses shall be defrayed from a reserve fund.

Section 526.- It shall be forbidden for the official trustee or provisional administrator to defray the expenses of an estate with funds from another.

Therefore, each year, on the recommendation of the Trusteeship Council and where the need arises, the Minister in charge of Finance shall order a repayable advance to be mad available to the official trustee or provisional administrator, subject to an application by the latter previously endorsed by the Trusteeship Council.

The said advance shall be repaid from subsequent receipts.

Where the expenses are more than the income, the excess expenses shall be provisionally debited to the Treasury, subject to regularization.

Section 527.- The official trustee or provisional administrator shall keep a special account of sums advanced from the reserve fund.

At the end of each fiscal year, he shall append it to the general management account which shall be entered in the books of the public accounting officer of the area.

DIVISION IV:
END OF THE TRUSTEESHIP

A - Handing over of estates in abeyance and unclaimed property

Section 528.- The management of the official trustee or provisional administrator shall be terminated when one of the following occurs:

1) the property of the trusteeship is liquidated and the proceeds paid into the Treasury;

2) the estate is handed over to the State, where the heirs or rightful claimants failed to come forward within the period prescribed by each member State;

3) the estate in abeyance is handed over to the heirs (or to their authorized representatives) whose rights have been recognized after the institution of the estate proceedings.

Section 529.- At the end of the time-limit set by each member State, and after the accounts have been closed following a court ruling, the amounts paid into the Treasury by the official trustee or provisional administrator into a special account shall be transferred to the State, as well as securities and movables held by the official trustee or the provisional administrator.

With respect to unliquidated real estate, the official trustee or provisional administrator shall, at the end of the deadline prescribed by each State, apply to the President of the court for the registration thereof. The latter shall issue an order to authorize the registration of the said real estate in the name of the State.

If, before the expiry of the deadline prescribed above, the heirs or rightful claimants come forward, they shall contact the President of the court or any other competent authority who shall issue an order to restitute their due.

Section 530.- If, subsequent to the registration of the real estate in the name of the State and prior to the expiry of the prescribed thirty year period the heirs and rightful claimants come forward, they shall contact the President of the court or any other competent authority to request the registration of the said property in their name.

B - Settlement of accounts

Section 531.- Liquidated estates of less than an amount to be fixed by each member State shall, following the settlement rulings, simply be entered as revenue in the State budget.

Section 532.- After the heirs or rightful claimants have been reinstated under Section 529 of this Code, they shall take the movables and real estate as is where the said has not yet been conveyed.

Section 533.- The Department of Taxation shall audit the accounts of the official trustee or provisional administrator each year, at the end of the fiscal year, either on his own initiative, or at the request of the President of the court.

A copy each of the audit report shall be forwarded to the President of the Court and to the trusteeship council.

Section 534.- In the first three months of every fiscal year, the official trustee or provisional administrator shall submit his management account for the preceding fiscal year to the court.

This account shall be lodged at the registry of the court with two copies of a summary inventory of the documents produced. The registrar shall acknowledge receipt on one of the copies.

This shall be recorded on the same date in the appropriate registry ledger, or failing this in the register of deeds subject to registration fees.

In the case of gross negligence in lodging the accounts of one or more liquidations for which the trustee is responsible, a fine whose amount shall be determined by each State shall be imposed on the trustee.

The fine shall be imposed by the court responsible for auditing the accounts.

Section 535.- The court shall rule on these accounts within two months of their being lodged at the registry.

Judgment shall be delivered on a judge's report.

The Trustee or provisional administrator may, within one month, lodge an appeal with the Court of Appeal, which shall give its decision in the same form and within the same period.

The accounts of the official trustee or provisional administrator following the audit by the courts may not be contested by the rightful claimants, or any person or private or public body, except on grounds of incorrect calculation, omission, falsification or duplication.

Section 536.- Where a collective judgment is delivered on several accounts, the judgment shall specify the income and expenses for each account and the position of the official trustee or provisional administrator with regard to the rightful claimants.

Section 537.- The annual decisions dealing with the accounts of the official trustee or provisional administrator shall be confined to determining the accounting position at the end of the year. Only decisions taken at the end of the period of management of the official trustee or provisional administrator shall give the official trustee or provisional administrator final discharge.

The annual judgment shall, where applicable, rule on the fees due to the trustee for current matters and give the final judgment with regard to completed matters.

Section 538.- In the event of a decision disallowing expenses in the management account of the trustee, the latter may, if proof is subsequently produced, apply for a review to the court which ruled to disallow the expenses.

C - Taking over of the estates and unclaimed property of foreigners

Section 539.- Where the estate of an alien who has died in a member State of the community is presumed to be in abeyance, or where property abandoned by aliens is presumed to be without an owner at the end of the period prescribed by each member State, the official trustee or provisional administrator, after ascertaining with the diplomatic or consular missions that there are no heirs or rightful claimants, shall take over and manage the said property in the same conditions as that of the nationals of member States.

Section 540.- Where the known heirs are neither present nor represented, the estate may be taken in charge by the official trustee or provisional administrator and handed over as soon as possible to the consul of the country of which the deceased person was a citizen, or simply handed over directly to the said consul, on condition that the latter files a declaration at the nearest Tax Collection Office and pays any estate duties due to the member State when the death occurred.

DIVISION V: STAMP DUTY REGISTRATION AND PROCEDURAL EXPENSES

Section 541.- The procedure shall be free of charge and the deeds exempted from stamps duty and registered free, for all liquidations of the estate managed by the official trustee or provisional administrator.

Heirs who have been reinstated shall settle the fees on the estate liquidate in accordance with the provisions of this Code.

SUB-PART II: UNHARMONIZED LEGISLATION IN THE CEMAC ZONE

CHAPTER I: RATES OF REGISTRATION FEES

Section 542.- (1) Stamp duty on bills of lading and transport contracts as well as on advertising shall be paid at the office of the competent Collector of Taxes of the area within 15 (fifteen) days of the month following that during which the taxable transaction was carried out.

(2) Companies under a specialized management unit shall declare and pay registration fees, on private agreements, stamp duty on advertising and axle tax to the latter.

(3) The rates of the various duties provided under Chapter 11 Part 1 of this Code shall be determined in accordance with provisions of Sections 544 to 547 below.

DIVISION I: PROPORTIONAL DUTIES

Section 543.- The following shall be liable:

a) to the high rate of 15%:

-………………………. (deleted).

b) At the intermediate rate of 10%:

- instruments and transfers of built-on urban estates;
- instruments and transfers provided for in Section 341 (2) of this Code, excluding leases of buildings in rural areas for business purposes;
- transfers of businesses and good will.

- instruments and transfers of businesses provided for in Section 341 (1), excluding new merchandise which is subject to the reduced rate of 2% when the conditions laid down in the same paragraph have been fulfilled.

c) The average rate of 5%:

- deeds and transfers of non built-on urban and built-on rural estates;
- instruments and transfers provided for in Section 342 including rural leases for business uses and excluding leases for residential purposes;
- any agreement aimed at enabling an entity to carry out an activity that was carried out by a previous holder, even where the said agreement concluded with the latter or his successors in title is not accompanied by a transfer of customers;
- massive disposals of company shares where they do not entail transfer of the business.

The average rate shall be reduced to 2% for rural non-built-on estates under the official price list.

Subject to the provisions of Sections 350 and 545, public contracts of 5,000,000 CFAF and above, paid from the budget of the State, local and regional authorities, and administrative public establishments.

d) The reduced rate of 2%:

- instruments and transfers of non- built-on rural estates;
- transfers, even indirect, in Cameroon or abroad, of shares and bonds of companies with registered offices in Cameroon.

In this case, the stamp duty base shall be the portion of the transfer price corresponding to the foreign entity's share of the capital of the Cameroonian company.

- urban leases for residential purposes;
- decisions of the Court of Appeal pertaining to sentences ranking of creditors, liquidation or obligations in respect of the sums and securities and interests.

e) At the super reduced rate of 1%:

- instruments and transfers provided for in Section 344 above. However, as regards release of mortgages, the tax calculated shall be reduced by three-quarters;
- notwithstanding the provisions of section 344 of this Code, deeds and transfers of property to associations recognised as being of public benefit and duly authorised religious bodies.
- rural leases for residential purposes.

f) For the specific case of public procurement, the applicable rates shall be as follows:

- 7% for public purchase orders defined as public contracts and others worth less than five millions paid from the budget of the state, decentralized local authorities and public establishments, irrespective of the source of funding;
- 5% for letters of purchase defined as public contracts and orders worth five million or more, but less than fifty millions paid from the budget of the state, decentralized local authorities and public establishments, irrespective of the source of funding;
- 3% for public contracts defined as public orders for amounts equal to or more than fifty millions paid from the budget of the state, decentralized local authorities and public establishments, irrespective of the source of funding.

DIVISION II: DEGRESSIVE FEES AND PROGRESSIVE FEES

Section 544.- A - Digressive fees

The digressive fees provided for in Section 346 of this Code shall be fixed as follows:

- 2% with a maximum of 750,000 CFAF for capital ranging from 0 to 750, 000,000;
- 1.5% with a maximum of 1,500,000 CFAF for capital ranging from 750,000,001 to 1, 500,000,000;
- 1% with a maximum of 3,000,000 CFAF for capital ranging

from 1,500,000,001 to 3 ,000,000,000;

- 0.5% with a maximum of 5,000,000 CFAF for capital ranging from 3,000,000,001 and 5 ,000,000,000;
- 0.25% with a maximum of 2,500,000 CFAF for capital above 5,000,000,000 CFAF.

B - Progressive fees

a) Transfers for purposes of building for outright sale or leasing purchase.

Transfers made under the conditions laid down in Section 347 of this Code shall be subject to the following progressive fees:

- fixed fee laid down in Section 353(3) above on prices in the 0 to 5, 000,000 CFAF bracket;
- proportional fee of 2% on prices in the 5,000,001 to 10,000,000 CFAF bracket;
- proportional fee of 5% on prices in the 10,000,001 to 15,000,000 CFAF bracket;
- proportional fee of 10% on prices in the 15,000,001 to 20,000,000 CFAF bracket;
- proportional fee provided for in Section 543 (a) above on prices above 20,000,000 CFAF.

b) Transmission on death.

1) The fees for transmission on death provided for in Section 348 of this Code shall be progressive and charged as follows:

- in the 0 to 5 000 000 bracket ...1%;
- in the 5 000 001 to 10 000 000 bracket.....2%;
- in the 10 000 001 to 50 000 000 bracket 3%;
- in the 50 000 001 to 500 000 000 bracket…..4%;
- above 500 000 000 bracket …....5%

2) Deleted.

c) Donations inter vivos and gratuitously.

The fees on donations inter vivos provided for in Section 349 of this Code shall be charged as follows:

- direct line of descendants or ascendants, or between spouses.... 5%
- between brothers and sisters: 10%
- between relatives beyond the second degree, or between unrelated persons:………………..…**20%**

DIVISION III: FIXED RATES

A - Specific fixed rate

Section 545.-

a) Fixed rate of 50,000 CFAF.

The instruments referred to in Section 350 above shall be subject to a fixed registration of 50,000 CFAF giving rise to graduated stamp duty.

b) Fixed rate of 20,000 CFAF

The under mentioned instruments shall be subject to the fixed registration fee of 20,000 CFAF giving rise to graduated stamp duty:

- *cancelled ;*
- mortgage charges to guarantee debit balance on current account or to guarantee bonds;
- sureties, etc;
- hypothecated security or collateral sums due under a contract;
- assignment of debt;
- car loan agreements concluded with approved bodies, notwithstanding the provisions of Section 351 (5) above;
- guarantee instruments, notwithstanding the provisions of Section 344 (7) above.

c) Fixed rate of 4,000 CFAF

Injunctions ordered in accordance with the instruments in force, in particular Law No. 89/21 of 29 December 1989 to lay down a simplified procedure for the recovery of civil and commercial debts, shall be subject to the fixed rate of 4,000 francs giving rise to graduated stamp duty, the provisions of Section 353(1) above notwithstanding.

B - Fixed rates as minimum payment

The following shall be subject to a fixed rate hereunder regarded as a minimum payment and not giving rise to graduated stamp duty:

a) fixed rate of 20,000 CFAF :

- the instruments and transactions provided for under Section 351 above shall be subject to the provisions of Section 545 (b) above.

b) Fixed rate of 12,000 CFAF

The instruments and transactions referred to in Sections 352 and
546(b) of this Code;

b) Fixed rate of 10,000 CFAF

The instruments and transactions referred to in Section 353(2) above, and instruments authenticated by a notary;

c) Fixed rate of 4,000 CFAF

The unnamed instruments referred to in Section 353(3) above.

DIVISION IV: EXONERATIONS AND EXEMPTIONS

Section 546.- In addition to the provisions of Section 337 above, the following shall be registered free of charge:

A - Registration free of charge

1) Instruments and judgments transferring ownership of mortgaged property and real property rights to banks and microfinance institutions, for the realization of their mortgage, provided that:

- the commitment to resell the estate is made by the bank in a tender or separate instrument;
- the actual resale takes place within 5 (five) years.

2) loan agreements to finance agro-pastoral and fisheries operations.t;

3) Transfer or use of movable or immovable property which is subject to the Value Added Tax;

4) Public service concession agreement;

5) loans on collateral and on mortgage concluded with credit establishments or microfinance institutions of the second or third category, as well as the release of mortgages, sureties and guarantees thereto.

6) instruments of incorporation and company extension as well as instruments on increase in capital;

7) Instruments whose registration is the responsibility of international Organizations except as otherwise provided for in the headquarters Agreement signed with a CEMAC State.

8) Testamentary or inter vivo transfers free of charge to public utility associations, the State and its agencies, as well as denominational bodies duly approved by the competent authority.

B – Exemptions

In addition to the provisions of Section 338 above, the following shall be exempted from registration fees:

1) business instruments other than those expressly referred to under the law;

2) instruments relating to the acquisition and transfer of negotiable public property;

3) notwithstanding the provisions of Section 351(5) above, private agreements establishing the sale of new motor vehicles on credit;

4) notwithstanding the provisions of Section 343 (2) and (3) the transfer of shares bonds and stocks of companies registered in the National stock market;

5) current account contracts, including shareholders current account contracts;

6) instruments established by diplomatic or consular missions foreign to CEMAC, subject to reciprocity;

7) Public orders for fuels and lubricants regardless of the purchase or payment method. The orders shall also be exempted from the application of the fiscal stamp duty;

8) Collateral and mortgage loans with microfinance institutions of the first category, as well as the related releases, surety bonds and guarantees;

9) financial assistance agreements granted to Regional and Local Authorities.

DIVISION V: ADMINISTRATIVE EVALUATIONS

Section 546 a.- (1) Notwithstan-ding the dispositions of articles 324 and 325 supra, the estimate that served as basis for the levying of the proportional, progressive or digressive duty of movable or immovable property assigned in ownership, usufruct or possession, shall not be lower than that resulting from implementation of the official price list.

In the specific case of transfers resulting from inheritance, division, release from joint ownership and gifts inter vivos in the direct line and between spouses, the value used as a basis for calculating registration duty is determined by applying a discount of 50% to the value resulting from applying the official price list.

(2) In case of a disagreement to the administrative evaluation herein above, the parties may resort to an expert evaluation. The application for an expert evaluation shall be made by a petition to a Civil Court in whose jurisdiction the goods are located or immatriculated, where they are boats, ships or aircrafts.

DIVISION VI: SPLITTING OF DUTIES

Section 546 b. - By derogation from the provisions of sections 304, 312 and 313 of this Code, the amount of registration duty may be split into instalments in the following cases and under the following conditions:

- for a long lease may be divided into as many payments as there are three-year periods in the term of the lease;
- for transfers by death, over a maximum period of 2 (two) years.

Section 546 c. - (1) Where the payment of duties is divided into instalments, the registration formality is granted as and when the instalments are paid and for the amount of each instalment.

(2) Failure by the taxpayer to comply with the terms and conditions for payment in instalments will invalidate the instalments granted and will render the amount of duty still due immediately payable, without prejudice to late payment penalties of an additional duty.

Section 546 d.- Notwithstanding the provisions of Section 542 of this Code, registration and stamp duties on imported second-hand vehicles shall be assessed and collected via the computerized system of the customs authorities, on behalf of the tax authorities.

The tax authorities, in conjunction with the relevant government services and entities, shall ensure that the assessed duties are repaid in accordance with the procedures laid down in a separate instrument issued by the Minister in charge of finance.

CHAPTER II:
STAMP DUTY RATES

The rates of the various stamp duties as harmonized in the Community shall be fixed as follows:
The maximum and minimum rates provided for in Section 445 above shall be fixed at 1,500 and 1,000 CFAF respectively in Cameroon.

DIVISION I:
STAMP DUTY BASED ON PAPER SIZE

Section 547.- The rate of stamped paper and stamp duties based on paper size referred to in Sections 438 and 444 above shall be fixed as follows:

DIVISION II:
SPECIAL STAMP DUTIES PAYABLE ON CERTAIN DOCUMENTS AND OTHER FEES

A - Stamps on passports and visas

Section 548.- Stamp duty on passports and other related documents shall be fixed as follows:

1) National passports

Stamp duty on national passports shall be fixed as follows:
- issue, renewal and extension of ordinary passports: CFAF 110,000;
- issue of laissez-passer: 25,000 CFAF.

2) Visas on foreign passports

Stamp duty for entry and exit visas on foreign passports shall be fixed as follows:
- deleted;
- deleted;
- visa for multiple entries and exits valid for from 0 to 6 months:
  - deleted ;
  - Normal visa: CFAF 100 000;
  - Express visa: CFAF 150 000.
- visa for multiple entries and exits valid for more than 6 months:
  - Normal visa: CFAF 150 000;
  - Express visa: CFAF 200 000.

Collective passports shall be subject to the same stamp duty as individual passports.
The amounts mentioned above may be adjusted by regulation to take into account reciprocity.

3) Exemptions

The following shall be exempted from stamp duty:
- issue of diplomatic and service passports;
- visas for study trips, granted to foreigners for a duration of not more than 6 months;
- transit visas;
- entry and exit visas granted to nationals of CEMAC member countries, for travel within the Community, subject to reciprocity.

Nationals of non-CEMAC countries may benefit from the same exemption, subject to reciprocity.

B - Identity cards and residence permits

Description	Format	Rate
Register paper	(42 x 54)	1,500 CFAF
Normal size paper	(29.7 x 42)	1,500 CFAF
Half of normal size paper	(21 x 29.7)	1,500 CFAF

Section 549.- National identity cards issued to Cameroonian nationals, as well as residence permits issued to foreign nationals shall be subject to the following stamp duties:

1) National identity cards: 1,000 CFAF.

2) Residence permits:
- CFAF 50 000 for residence permits issued to students;
- CFAF 75 000 for residence permits issued to foreign workers under contract with the state or a local council and to unemployed spouses
- CFAF 150 000 for residence permits issued to nationals of African countries and renewal thereof ;
- CFAF 300 000 for residence permits issued to nationals of non-African countries and renewal thereof.

3) Residence cards:

- CFAF 75 000 for residence cards issued to members of duly recognized religious congregations, to unemployed spouses or minor dependent children of expatriates as well as to expatriate spouses of Cameroonians who have maintained their nationality of origin;
- CFAF 300 000 for residence cards issued to nationals of African countries;
- CFAF 750 000 for residence cards issued to nationals of non-African countries.

4) Exemptions

The following shall be exempted from stamp duty on residence permits and residence cards:

- students with a special status;
- volunteers;
- refugees;
- technical assistance or cooperation personnel, military and police cooperation personnel;
- non-diplomatic personnel of diplomatic missions;
- personnel of international organizations accredited to Cameroon, unemployed spouses of the above exempted persons.

5) Notwithstanding the provisions of Sections 442 and 443 above, the stamp duty on national identity cards, residence permits and residence cards may be collected against a receipt and the amount and references thereof shall be indicated on the card or permit.

A special receipt book shall be provided for that purpose.

Section 550.- (a) National driving licenses and their duplicates shall be subject to a fiscal stamp duty of 10 ,000 CFAF;

(b) Certificates of aptitude to drive certain automobiles in urban areas are subjects to a 10,000 CFAF fiscal Stamp duty.

C - Vehicle registration license

Section 551.- Registration licenses for motor vehicles and other vehicle registration documents “cartes grises”, as well as their duplicates shall be subject to stamp duty as follows:

(a) A stamp duty fixed at 3,000 CFAF per horsepower or fraction thereof shall be levied on all receipts showing the declaration of the entry into service of motor vehicles and other motorized conveyances subject to registration (registration licenses) and transfers of such receipts.

However, as regards commercial vehicles, the rate shall be fixed at 1,000 CFAF per horsepower or fraction thereof. A commercial vehicle should be understood to mean one that has a payload of more than 1,000 kg.

(b) As regard motorcycles and mopeds, the minimum stamp duty shall be fixed at 3,000 francs.

(c) Receipts showing the declaration of the entry into service of WD and IP series shall be subject to the following duties:

- WD …………..... 50,000 CFAF;
- IP ……………….… 10,000 CFAF.

Receipts showing the declaration of the entry into service of WD and IP series shall be valid for one month. The above duties shall be paid at the time of the monthly renewal.

Section 552.- The stamp duty provided for in the foregoing Section shall be paid at the same time as the customs duty on motor vehicles imported for home use.

D - Firearms licenses

Section 553.- Firearms licenses shall be subject to a fiscal stamp duty of 100,000 CFAF. This same rate shall apply to duplicates and renewals thereof.

E - Licenses for hunting and like activities

Section 554.- Licenses for hunting and the like activities shall be subject to the following fiscal stamp duty:

1) Hunting licenses

a) Sport hunting license for small game

Game birds:

Category A: (Nationals)..... CFAF 100 000;

Category B: (Resident aliens) …... CFAF 150 000;

Category C: (Tourists) ... CFAF 200 000.
Game animals:
Category A: (Nationals)..... CFAF 100 000;
Category B: (Resident aliens)........ CFAF 200 000;
Category C: (Tourists)..... CFAF 300 000.
b) Sport hunting license for medium-sized game
Category A: (Nationals).. CFAF 150 000;
Category B: (Resident aliens): CFAF 300 000;
Category C: (Tourists).... CFAF 400 000.
c) Sport hunting license for big game

Category A: (Nationals) CFAF 300 000;

Category B: (Resident aliens) … CFAF 350 000;

Category C: (Tourists)... CFAF 500 000.

2) License to capture
a) License to capture non-protected animals for commercial purposes:
- Category A: (Nationals) CFAF 3 000 000;
- Category B: (Resident aliens)... CFAF 4 000 000.

b) Scientific license to capture non-protected animals:
- Category A: (Nationals) .... CFAF 300 000;
- Category B: (Resident aliens) …. CFAF 350 000;
- Category C: (Tourists) .... CFAF 4 00 000.

3) License to collect

a) *The duties on the license to collect carcasses and animals in Classes Band C reserved for nationals shall be fixed at a single rate of 300,000 CFAF per quarter*.

b) *Collection tax for hides and carcasses*
- Varan .... CFAF 25 000/hide;
- Python .... CFAF 50 000/hide.

c) ***Fixed tax for other products***……...... 75,000 CFAF /hide

4) Scientific research license for foreigners: …………….. 100,000 CFAF

5) Game-farming and game ranching licenses:…. 300,000 CFAF

6) Hunter guide license

(a) Tenured hunting guide licence
Category A: (Nationals) CFAF 1 000 000;
Category B: (Resident aliens) CFAF 3 000 000.

(b) Assistant hunting guide licence
Category A: (Nationals) …. CFAF 500 000;
Category B: (Resident aliens) ….. CFAF 1 500 000.

7) Photographic hunting license

- Amateur photographer: CFAF 100 000 F CFA;
- Photographer …... CFAF 300 000;
- Amateur film-maker. CFAF 500 000;
- Professional film-maker: CFAF 750 000.

Section 555.- A stamp duty of 25,000 CFAF shall be charged per bill of lading irrespective of the number of copies.

F - Stamp duty on transport contracts

Section 556.- Stamp duty on transport contracts shall be fixed as follows:

1) 1,000 CFAF for each waybill issued for contracts pertaining to the transportation of goods within the national territory;
2) 2,000 CFAF per waybill issued for international contracts pertaining to the transportation of goods.
3) FCFA 10,000 per bill of lading for the carriage of goods by air.

Stamp duty on transport contracts shall be paid by the transporter exclusively at the Revenue office of his or her Taxation Centre. **In the case of air transport contracts, the stamp duty is collected by the express mail company.**

Section 557.- Registration certificates for appliances subject to the tax on games of chance and leisure, as well as the duplicates thereof shall be liable to stamp duty of 25,000 CFAF.

G – Specific stamp duty on certain documents

Section 557 a: The rate of the stamp duty referred to in Section 470 a of this Code shall be fixed at CFAF 25 000 per application.

CHAPTER III: OBLIGATIONS AND PENALTIES

DIVISION I: TIME-LIMITS, PLACE OF REGISTRATION AND GRANTING OF FORMALITY

Section 558. - Time-limits for the registration of instruments and declarations as stipulated in Section 276 shall be set out as follows:

- a time-limit of 1 (one) month for Section 276 (1);
- a time-limit of 3 (three) months for Section 276 (2);
- a time-limit of 6 (six) months for Section 276 (3) and (4);

For the application of the provisions of Section 276 (1) above, the time-limit for the registration of legal instruments shall be calculated from the date of their transmission to the Registry.

In the event of failure to register instruments and declarations pertaining to the transfer of real estate at the Tax Collection Office having jurisdiction, the notaries or the parties shall be subject to a fine equivalent to 50% of the fees due per offence.

Public contracts shall be registered at the taxpayer's tax collection office, except for public orders which shall be registered at the Special Registration Units.

The notaries or the parties shall be subject to affine of 20,000 CFAF per offence in the event of failure to register at the Tax Collection Office with jurisdiction instruments and declarations pertaining to the transfer of the real estate

Obligations of the parties, law officials and inspectors

Instruments concerning the transfer of ownership or usufruct in respect of an estate or a business shall, where applicable, indicate the market or estimated value of the property at the time of its last transfer or registration.

Similarly, to each copy of the instrument shall be attached a copy of the descriptive statement on the land certificate, duly signed by the notary.

In the case of the sale of buildings, the price of the land and buildings should be declared separately.

Section 558 a: Notwithstanding the provisions of Section 270 above, the record of registration may be granted electronically. In this case, it shall give rise to the establishment of a registration certificate.

The conditions for the application of this provision shall be specified by a separate instrument of the Minister in charge of finance.

DIVISION II: FUNERAL EXPENSES

Section 559.- Funeral expenses may be deductible up to 2 000,000 **CFAF,** excluding entertainment expenses.

DIVISION III: LIMITATION PERIOD

Section 560.- (1) The current prescription against the Government to apply for fees for transfers upon death shall be thirty (30) years. It shall apply to old inheritances opened and not declared to the tax administration, regardless of the date of death.

(2) Claims by the parties in respect of action for restitution shall lapse after five years.

DIVISION IV: RIGHT OF ACCESS

Section 561.- Any refusal to allow access shall be liable to a fine of 20,000 francs, except as concerns access to the records of law officials for which a fine of 10,000 CFAF shall be imposed.

DIVISION V:
REMUNERATION OF TRUSTEES AND PUBLIC ACCOUNTING OFFICERS

Section 562.- The remuneration of a trustee and a public accounting officer shall be fixed as follows:

A - Trustee:

- 3% of the revenue he brought into the estate;
- 3% of the sums he paid to the creditors of the estate or property in abeyance and of maintenance and management expenses;
- 5% of the credit balance corresponding to the net assets of the estate after clearing revenue and expenditure items.

The above fees shall be taxable on the basis of the audit judgment.

The various trustees shall deposit 70% of the total remittances which they have received in a Current account opened in the name of the Director General of Taxation.

- 30% shall be paid to the Director General of Taxation, in his capacity as controller of all Trustee Offices;
- 50% shall be shared to the staff of the Department of Taxation according to the conditions laid down by decree;
- 20% shall be used to set up a fund intended to look for trusteeships, attachments and confiscations and to finance preemption operations.

B - Public accounting officer

The treasurer shall receive a special remuneration related to the operations of centralizing trusteeship receipts. He shall be granted a 0.5% allowance on all the recovery operations he carries out in respect of the assets of the estate and the property in abeyance, excluding the repayment of reserve funds and the withdrawal of funds.

Section 563.- In addition to the provisions of Section 522 and 525 above, court charges shall be paid to judicial and legal officers, registrars and civil servants appointed to the Trusteeship Council from a special account opened in the books of the accounting officer having jurisdiction.

Section 564.- In addition to the provisions of Section 526 above, advances to the official trustee or provisional administrator for the management of unsettled trusteeships shall be drawn from the trusteeship's account opened in the books of the accounting officer who centralizes trusteeship receipts.

DIVISION VI:
REPAIR OF BUILDINGS BY THE TRUSTEE

Section 565.- The maximum cost of repairs undertaken by an official trustee or provisional administrator shall be fixed at 500,000 CFAF, in accordance with Section 502 of this Code.

DIVISION VII:
HANDING OVER TO THE STATE OF SECURITIES AND PROPERTY

Section 566.- In accordance with Section 529 of this Code, the following shall become State property after a period of 3 years:

- sums paid into the Treasury;
- securities and real property;
- buildings not constructed by the official trustee or provisional administrator.

Section 566.a-Senior court registrars shall be required to forward to the competent tax authorities, within one month of formalization, the decisions relating to the property seized for the benefit of the state.

Section 567.- Property seized for the State shall be managed as for the trusteeship.

DIVISION VIII:
TRUSTEESHIPS OF LIMITED VALUE

Section 568.- The minimum value of the estate referred to in Section 531 of this Code shall be 100,000 CFAF.

Section 569.- A trustee or provisional administrator shall be allowed 6 (six) months from the date of death to ask for the vesting order in accordance with Sections 508, 509, 540 above.

DIVISION IX:
FINE AGAINST THE TRUSTEE

Section 570.- The fine imposed on the trustee for negligence under Section 534 of this Code shall range from 2,000 to 10,000 CFAF.

DIVISION X:
REMISSION, MITIGATION AND INCREASE OF PENALTIES FOR DELAY AND FINES

Section 571.- In accordance with Section 410 of this Code, reduction or ex gratia remission of penalties, fines or obligation shall be granted automatically under the same conditions as those provided for in Sections M 144 (new) and M 145 of this Code:

- Up to CFAF 1,000,000 by Heads of Tax Collection Offices;
- Up to CFAF 5,000,000 by Heads of Regional Tax Collection Offices and the Director of the Large Tax Unit;
- Up to CFAF 20,000,000 by the Director General of Taxation;
- Above CFAF 20,000,000 by the Minister in charge of finance.

The proceeds of the penalties for delay, fines and obligations for violations of the provisions of this Code shall be shared between the State and the staff of the Taxation and Treasury Departments according to conditions laid down by decree.

The Minister in charge of Finance shall be responsible for refunding of duties unduly or irregularly collected under Sections 332 and 335 of this Code.

Sections 572.- (1) The assessment authority may close down the establishment with the assistance of a process server and a law enforcement officer in the following cases:

- non-payment, one month after payment notice, of the duties and taxes governed by this Code and for which the taxpayer is legally liable;
- non-payment of duties and taxes one month after notification of collection order or notice of arbitrary assessment order.

The closure of the establishment shall be established by:

(2) a report signed by the above-mentioned officers. The taxpayer shall constitute the keeper of the sealed property and shall be liable for any unlawful removal or tempering with the seal of the State.

(3) The establishment shall be reopened only after payment of the principal of the duties payable.

Section 573.- The duties payable on a collection order may be collected from tenants, employers, guardians and, in general, from any third party in possession of sums and assets belonging to the debtor.

DIVISION XI:
PROCEDURES FOR COLLECTING REGISTRATION FEES FOR INSTRUMENTS REGISTERED IN DEBET

Section 573 a.- Registration fees and stamp duties due on instruments registered in debit shall be determined on the basis of a taxation notice produced by the tax administration. They shall be paid by the Registrar into the account of the competent tax Collector within one month from the date of their collection.

SUB-PART III:
UNHARMONIZED CODE IN CEMAC ZONE

CHAPTER I:
SPECIAL COMPANY TAX:

DIVISION I:
TRANSFER OF SHARES AND INTERESTS SUBJECT TO TRANSFER DUTY

Section 574.- 1) Notwithstanding the provisions of Sections 343(3) and 543 (d) above, some transfers of the shares and interests in a company constituted under civil or commercial law shall be subject to a transfer duty corresponding to the nature of the goods involved. These include:

- transfers of shares, subscriptions or founder's contributions during the period of non-negotiability;
- transfer of interest in companies whose capital is not composed of shares, when these transfers are effected within two years of the final subscription to the company's share capital;
- transfers of shares or interests in any form following a donation or death;
- transfer of shares or interests resulting in the winding-up of the company;
- transfer of the shares of a company given out in compensation for subscriptions in kind.

2) For taxation purposes, each item of the subscription shall be evaluated separately and the number of shares given out in compensation of each item clearly indicated.

In the absence of this evaluation, the rates charged for fixed assets shall be applied.

3) In all cases where the transfer of shares or interest led to the payment of transfer duty in pursuance of this Section, the outright allocation, following the liquidation of the company, of property represented by the transferred securities shall necessitate the payment of a transfer duty only if the property is allocated to anyone other than the transferee.

Section 575.-(1) Within one month of their establishment, companies shall be bound to make, at the Tax Collection Office of the area where their head offices are located, a declaration stating:

- the objective and duration of the company or enterprise;
- the date on which the articles of association were drawn up and the references pertaining to the registration of the said document, a duly stamped and certified copy thereof shall be attached to the declaration;
- the names and local addresses of the directors or managers;
- the exact location of its headquarters and offices.

(2) on the event of an amendment to the company's articles of association, or changes such as the issue of new securities and increase or decrease in capital, these companies must make a declaration within one month of the date of the registration of the instrument at the Tax Collection Office where the initial declaration was made. A copy of the amending instrument shall at the same time be deposited at the said center.

(3) Late submission of the above declaration shall be punishable by a fine of 10,000 francs per month fraction of a month, to which a penalty of 5,000 francs per day may be added until the declaration has been produced. Such penalty shall apply where the failure to make a declaration has been established.

Incomplete or inaccurate declarations shall be subject to the same penalties.

DIVISION II:
MISCELLANEOUS PRESCRIPTIONS

Section 576.- The following shall become State property, and shall be declared to the Tax Collection Office under which the company, holder of securities, establishment or authority falls, within three months of prescription:

- interest, coupons and dividends covered by the five-year prescription, relating to shares, founders' shares or negotiable bonds issued by a commercial or civil company or a regional and local authority or private authority;

- shares, founders shares, bonds and other securities of the said regional and local authorities, covered by the thirty-year prescription or an agreed term;
- cash deposits and, in general, all liquid assets in banks, credit establishments and other institutions holding funds in deposit and current accounts, in respect of which rightful claimants have made no transactions or claims for thirty years;
- deposits of securities and, in general, all securities in banks and other institutions holding securities in deposit, in respect to which rightful claimants have made no transactions or claims for thirty years;
- the transfer of registered securities to the State under conditions stipulated in this Section shall be effected on production of the said securities and a certificate from the Director General of Taxation.

CHAPTER II: PROPERTY TAX

DIVISION I: SCOPE OF APPLICATION

Section 577.- Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code

DIVISION II: EXEMPTIONS

Section 578.- Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code

DIVISION III: PERSONS LIABLE

Section 579.- Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code.

DIVISION IV: BASIS OF ASSESSMENT

I - BASIS OF ASSESSMENT

Section 580.- Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code

DIVISION V: ASSESSMENT PROCEDURE

II - TAX RATE

Section 581.- Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code

(2) *Deleted.*

DIVISION VI: PLACE OF ASSESSMENT

Section 582.-Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code**.**

DIVISION VII: SPECIAL OBLIGATIONS

Section 583 Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code

DIVISION VIII: MISCELLANEOUS PROVISIONS

Section 584 Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code

CHAPTER III: GRADUATED STAMP DUTY

DIVISION I: GENERAL RULES

Section 585.-(1) Instruments which contain statements of value but are not subject to proportional registration duty, either by law (registration duty or at a fixed duty) or by reason or suspensory conditions shall be subject to graduated stamp duty.

The following instruments, in particular, shall be subject to graduated stamp duty:

- instruments on which registration fees are borne by the State or a local council;
- land certificates and land registration booklets.
- The value of the property on which stamp duty is assessed shall be

estimated by the registrar of landed property who issued the land certificate or land registration booklet;

- loan contracts, credit agreements, joint sureties, assignment of salaries, assignment and transfer of rental, as well as securities which, in compliance with Section 337(3) above, or with a preferential tax system, are registered free of charge or at a fixed fee;
- instruments including a suspensory condition.

(2) Notwithstanding the provisions of subsection (1) above, the instruments of incorporation and continuance of a company as well as instruments to increase capital shall not be subjected to graduated stamp duty.

DIVISION II: BASIS OF ASSESSMENT AND RATE

Section 586.- Graduated stamp duty shall be charged as follows, for each copy of the document, and according to the maximum value stated in the document, in the case of documents under private seal, for the originals, the minutes and the copies in the case of notarial documents:

- CFAF 25 000 for values between 0 and CFAF 1 000 000;
- CFAF 50 000 for values between 1 000 001 and CFAF 20 000 000;
- CFAF 75 000 for values between 20 000 001 and CFAF 50 000 000;
- CFAF 150 000 for values between 50 000 001 and CFAF 100 000 000;
- CFAF 250 000 for values between 100 000 001 and CFAF 500 000 000;
- CFAF 400 000 for values above CFAF 500 000 000.

Section 587.- The payment of the graduated stamp duty shall not exclude that of stamp duty based on paper size.

DIVISION III: COLLECTION

Section 588.- Graduated stamp duty shall be paid by machine stamping, or exceptionally by endorsement for stamp duty.

CHAPTER IV: STAMP DUTY ON ADVERTISING

DIVISION I: GENERAL PROVISIONS

Section 589.- Deleted and reinstated in Sections C 72 to C 76 of Book Three of this Code.

Section 590. Deleted and reinstated in Sections C 72 to C 76 of Book Three of this Code.

DIVISION II: RATES

Section 591 Deleted and reinstated in Sections C 72 to C 76 of Book Three of this Code.

DIVISION III: COLLECTION

Section 592.- Deleted and reinstated in Sections C 72 to C 76 of Book Three of this Code.

DIVISION IV: PENALTIES

Section 593. Deleted and reinstated in Sections C 72 to C 76 of Book Three of this Code.

CHAPTER V: STAMP DUTY ON MOTOR VEHICLES

Section 594.- Stamp duty shall be charged on motor vehicles and on two or three-wheeled motorized vehicles in Cameroon.

Section 595.- The following shall be exempted from stamp duty on vehicles:

- Two or three-wheeled vehicles, not motorized;
- administrative vehicles;
- vehicles whose owners enjoy diplomatic or consular privileges, and

vehicles under temporary admission and used exclusively for international cooperation projects;

- test vehicles with “WG” registration;
- transit vehicles with WT registration;
- vehicles used for the maintenance of law and order with registration plates specific to the armed forces, gendarmerie and the national security;
- Ambulances;
- vehicles registered abroad whose owners have a passport with a tourist visa for a period of not more than three months, or with an authorization to be used in Cameroon for a period of not more than three months, issued by the Road Transport Service.

Section 596.- The duty shall be charged annually, the year running from 1 January of one year to 31 December of the following year.

Section 597.- (1) The rates of stamp duty on motor vehicles shall be fixed as follows:

A. For public passenger and goods transport vehicles

- vehicles of 2 to 7 HP … CFAF 15 000;
- vehicles of 8 to 13 HP … CFAF 25 000;
- vehicles of 14 to 20 HP CFAF 50 000;
- Vehicles of more than 20 HP: CFAF 150 000.

B. For other vehicles

- vehicles of 2 to 7 HP … CFAF 30 000;
- vehicles of 8 to 13 HP … CFAF 50 000;
- vehicles of 14 to 20 HP CFAF 75 000;
- Vehicles of more than 20 HP: CFAF 200 000.

(2) The application of the rates provided for in paragraph 1A of this Section shall be conditional upon the presentation of a transport licence duly issued by the competent authority.

Insurance companies collect the automobile stamp duty at the rate referred to in Section 597 above from the first payment of the insurance coverage during the year, whether such payment is partial or total.

Section 598 - Automobile stamp duty is collected by insurance companies at the time of subscribing to a third-party liability insurance policy.

The collection of the automobile stamp duty is subject to the issuance of a receipt by the insurance company, generated by the tax authorities' computer system.

The stamp duty on motor vehicles collected shall be declared and paid in to the Revenue Collection Officer of the Taxation Centre having jurisdiction over the insurance company no later than the l5th day of the month following the month during which it is paid by the insured person.

Section 598a: Insurance companies shall, under pain of the fine provided for in Section M 104 of the Manual of Tax Procedures, be bound to enclose in their annual returns, the record of their intermediaries indicating their names or business name, single identification number, address and location.

Failure to issue a certificate of payment of the automobile stamp duty in the tax administration's computer system shall be subject to the fine provided for in Section 104 (1) of the Manual of Tax Procedures.

Section 598 b: The rates of stamp duties on motor cycles shall be fixed as follows:

- Two-wheeled motorcycles: …… CFA 10 000;
- Three-wheeled motorcycles: …CFA 15 000.

Section 598 c: The automobile stamp duty on motorcycles shall be subject to a single levy collected by dealers during the sale of the motorcycles and paid to the Revenue Collection Officer of the Taxation Centre of the competent taxation centre no later than the l5th day of the month following the day during which the sale took place.

However, the import of motorcycles by individuals shall lead to the calculation and levying of stamp duty by customs services.

Section 598 d: Notwithstanding the provisions of sections 598a and 598b above, the tariffs and methods of collection for motorcycles whose fiscal power is equal to or more than 2 horsepower shall be those applicable to vehicles.

Section 599.- The rules for assessment, control, collection, litigation as well as the general obligations and penalties applicable for the stamp duty on motor vehicles shall be those set forth in the Manual of Tax Procedures.

Section 600.- The new rules for the collection of the stamp duty on motor vehicles shall enter into force as from 1 January 2017.

Section 601.- (1) Failure to provide proof of payment of the automobile stamp duty by presenting **a** payment receipt of the said stamp duty generated by the tax authority's computer system to the officials in charge of inspection shall constitute a second-class offence and is punishable under Section 362 (b) of the Penal Code.

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(2) Duly established failure to pay the motor vehicle stamp duty shall constitute a third class offence, provided for and punishable under Section 362 (c) of the Penal Code.

In addition to the penalty provided for in Sub-section (1) above, the owner of the vehicle shall also be liable for additional stamp duty as penalty over and above the duty payable.

Section 602.- In addition to duty empowered officials of the Directorate General of Taxation, all staff of insurance companies working in conjunction with the Tax authority and all police officers authorized to book for traffic offences shall be responsible for recording the infringements laid down in Section 601 above.

Section 603.-(1) Legal proceedings shall be instituted in compliance with section 426 above;

(2) An additional duty as penalty shall also be applied in the event of non-payment of motor vehicle stamp duty by the insured person who fails to take out or renew his insurance policy after a financial year.

CHAPTER VI: EXEMPTIONS FROM STAMP DUTY

Section 604.- In addition to instruments designated by law, the following shall be exempted:

1) From graduated stamp duty:

(a) the instruments designated under Section 337 of this law, with the exception of paragraphs 1, 2, 3 and 7;

(b) instruments subject to Section 338 of this Code;

(c) instruments subject to the special rate of registration duty provided for under the second Subsection (2) of Section 351 of this Code;

(d) extra-judicial instruments;

(e) loan contracts, credits, agreements, and joint sureties and guarantees attached to loan contracts made by financial institutions to farmers to operate, improve or develop farming or stockbreeding enterprises;

(f) mortgages amounting to not more than 10,000,000 francs;

(g) gifts to the State as well as regional and local authorities.

2) From stamp duty on advertising:

(a) posters of the State, regional and local authorities;

(b) posters relating to local authorities, provincial and divisional loans;

(c) posters of mutual benefit societies;

(d) electoral posters containing the candidate's election address, a circular signed by him, or simply his name;

(e) posters relating to job applications or vacancies;

(f) posters displayed for reasons of tourism, art, charity, sport or culture, exclusive or any commercial advertising. Exemption shall be subject to the approval of the Director General of Taxation;

(g) Posters, printed or otherwise, of the State Insurance Fund which:

- make known legislation which the Fund has to apply;
- encourage prevention of accidents at work and occupational diseases;
- publish reports on the operation of the Fund;
- Shop signs containing no commercial advertising.

CHAPTER VII: AIRPORT STAMP DUTY

Section 605.- An airport stamp duty is hereby instituted for all commercial flights departing from Cameroonian territory.

Section 606.- Airport stamp duty shall be fixed at:

i. For international flights within the CEMAC zone:
   - CFAF 25 000 per person per trip

ii. For international flights out of the CEMAC zone:
   - CFAF 40 000 per person per trip in economy class;
   - CFAF 75 000 per person and per trip in premium class;
   - CFAF 120 000 per person per trip in business class;
   - CFAF 300 000 per person per trip in first class.

iii. For domestic flights: CFAF 1 000 per person per trip

Section 607 (new).- (1) Airport stamp duty shall be collected by airlines for all the passengers boarding a plane in Cameroon.

(2) It shall be based on the number of passengers holding an air ticket for which payment was made, irrespective of where the said ticket was bought.

(3) Airport stamp duty shall be collected by airlines at the time of purchase of the ticket, and paid to the Tax Collector of the area where the airlines are located no later than the 15th of the following month.

(4) Airlines without a permanent office in Cameroon shall be bound to appoint a solvent representative accredited by the tax authority for the payment of such duties.

Section 608 (new).-(1) Crew members, aircraft staff as well as direct transit passengers shall be exempted from airport stamp duty.

(2) Diplomatic missions shall, subject to reciprocity, and under conditions set out by regulation, benefit from airport stamp duty reimbursement.

Section 608 a (new).- The rules and regulations governing returns, collection, control and disputes, as well as penalties applicable to airport stamp duty shall be those laid down by the *Manual of Tax Procedures*.

CHAPTER VIII: AXLE TAX:

Section 609.- Deleted.
Section 610.- Deleted.
Section 611.- Deleted.
Section 612.- Deleted.
Section 612 (a).- Deleted.
Section 613.- Deleted.

TRANSITIONAL AND FINAL PROVISION

Section 614.- All previous provisions relating to dates of submission of income declarations shall apply to income earned as at 30 June 2002.

This law, which repeals all previous provisions repugnant thereto, notably those contained in all previous general or specific laws or regulations, shall be registered, published according to the procedure of urgency, and inserted in the Official gazette in English and French.

The President of the Republic,
(ed) Paul Biya

NOTES PERSONNELLES

NOTES PERSONNELLES

BOOK TWO
MANUAL OF TAX PROCEDURES

SUB-PART I:
BASIS OF ASSESSMENT

SINGLE CHAPTER: OBLIGATIONS OF TAXPAYERS

DIVISION I: OBLIGATIONS TO FILE RETURNS

SUBDIVISION I: GENERAL PRINCIPLE

Section M 1.- Any natural or legal person liable, as a statutory or actual taxpayer, to payment of a tax, duty or levy or an instalment thereof, by virtue of the provision of the General Tax Code, shall be required to register within 15 (fifteen) working days following the start of his activities, and to provide the Tax Administration with a location map, the subscription references of the public water or electricity distribution service concessionaires, where applicable, the telephone number and a valid e-mail address.

At the completion of the registration procedure, a registration certificate stating the single identification number, the tax system and the taxpayer's tax centre is issued to the taxpayer **by** the tax administration.

The Single identification number shall be permanent. However, it may be changed during a general re-registration procedure decided by the competent authority.

Any significant modification affecting the business (change of manager, cession, cessation, modification of business name, modification of business activity), and/or the place of business shall also be declared within (15) fifteen working days from the modification.

Any substantial change affecting operations *(change of manager, direct or indirect transfer of shares or company shares, cessation, modification of business name, change in the structure of capital or shareholding, modification of business activity and/or change of business place)*, as well as changes to the email address should also be declared within fifteen (15) working days following such modification. The time-limit shall be extended to three (03) months where the modification was affected abroad.

This obligation to file returns shall also apply to public and private sector salaried employees, foundations, associations, non-profit organizations, managers or beneficiaries of trusts, insurance trusts or similar entities as well as foreign taxpayers operating in Cameroon without a head office therein. Accordingly, they must appoint a solvent representative accredited by the tax authority.

Section M 1 a.- (1) It shall be obligatory for the single identification number to be mentioned in any document showing any business transaction.

(2) Public or private corporate bodies shall be required to present it during any payments being effected or where necessary, for any other material or intangible transaction.

(3) Any physical or moral person referred to in section M 1 of this Code may not carry out the following transactions unless he has a single identification number:

- the opening of an account in credit and microfinance establishments;
- subscription to any type of insurance contract;
- the signing of contracts for connection and subscription to water and/or electricity networks;
- registration of real estate;
- certification in a regulated profession.

Section M 1 b.- (1) The single identification number shall be attributed under the conditions laid down by law.

(2) To assign the single identification number, the services of the Directorate General of Taxation may take the finger prints and a photograph of the person to whom the number is being attributed.

(3) The process provided for under the preceding paragraph shall apply equally to corporate bodies, the main manager and to each partner having over 5% of the share capital.

Section M 2 - (1) Any physical person or legal entity liable, in their capacity as a legal debtor, to the payment of a tax, duty or charge or an advance payment of a tax, duty or charge, or designated to withhold tax at source pursuant to legal or regulatory provisions, is required to submit declarations, including the Statistical and Tax Returns (STR), in accordance with the model provided by the Cameroon Tax Authorities, appended by compulsory supporting documents, within the time limits stipulated by law.

(2) The returns referred to in paragraph 1 **above must** be electronical. In this case, the tax notice generated serves as the basis for payment of the corresponding taxes.

(3) At least 15 (fifteen) days before the due date for payment of a tax, duty or charge, the tax authorities may electronically transmit a pre-filled return to the taxpayer on the basis of the information in their possession. This period shall be extended to thirty (30) days for annual returns.

The taxpayer shall return it to the tax authorities, via the relevant information system, within the set filing deadlines, after validating, correcting or supplementing it, where appropriate.

The tax authorities shall reserve the right to carry out checks and adjustments in accordance with the provisions of this Code, in particular those of sections M 2 bis and M 9 et seq. of the said Code.

Section M 2 a.- (1) Notwithstanding the provisions relating to the system of declaration, the tax authority may, **for the none specified time-limit,** send to any natural or legal person liable pay a tax, duty or levy as per the laws and regulations in force, in the event of a clear absence or inadequacy of a return, a pre completed return of collected revenue of any other taxable item, with the tax amount owed.

(2) The pre-filled tax return shall be filed against a signature. Mention shall be made of person refusal to sign, where applicable.

(3) The party that accepts the terms of a pre-filled return must file same, together with payment thereof within thirty (30) days, to the assigned Taxation Centre.

(4) The taxpayer that feels overtaxed or wrongfully taxed under a pre-filled tax return procedure shall submit a request for correction to the competent Taxation Centre within one month of receipt of such return. In such case, the tax authorities and the taxpayer shall have 30 (thirty) days within which to decide the final taxes established by a collection notice (CN).

The taxpayer shall, within 15 (fifteen) days of receiving the CN, settle the debt. Where there is disagreement, the taxpayer may challenge the CN in accordance with the provisions of Section M116 *et seq*. of the General Tax Code.

(5) Failure to pay or respond to a pre-filled tax return on time shall be tantamount to accepting the terms thereof.

Section M 2 b: (1) Up-to-date taxpayers shall be entered in the register of active taxpayers of the General Directorate of Taxation.

Newly registered taxpayers shall be entered in the database of active taxpayers with effect from the date of filing the first return.

In the event of failure to file returns by a taxpayer over a period of two consecutive months, **or upon notification by the customs authorities of a situation of non-compliance with customs obligations**, the latter shall automatically be deleted from the said database. Automatic deletion shall take place from the first failure to file annual returns for the non-professional taxpayer. He/she may be reinserted therein only after regularizing his/her tax **or customs obligation**.

(2) No professional taxpayer may carry out import or export transactions without being entered in the active taxpayers' register of the General Directorate of Taxation and does not own a certificate of tax compliance.

Section M 2 c: (1). If a taxpayer fails to file a tax return for a period of 3 (three) consecutive years, the taxpayer shall be automatically removed from the taxpayer register of the tax authorities.

(2) The removal from the database referred to in paragraph (1) above shall not entail the cancellation of any previous tax debts, nor any penalties incurred for breaches established during the period of inactivity.

(3) The court with territorial jurisdiction shall be notified of the automatic removal of a company from the taxpayers' register to remove it from the Trade and Personal Property Credit Register (TPPCR).

SUBDIVISION II: NOTICE TO FILE RETURN AND PUBLIC DISCLOSURE OF INFORMATION RELATING TO TAXPAYERS' TAX COMPLIANCE

Section M 3.- (1) Any taxpayer who fails to file a return within the time limit prescribed by law shall receive a letter reminding him to do so. He shall then have 7 (seven) days to regularize his situation, following reception of the letter, the postmark or signed mail register, in case of direct delivery, being authentic.

Failing this, and without prejudice to the penalties that may apply, the basis of assessment may be determined arbitrarily by the tax authority under the conditions provided in Section M 29 et seq. of this Manual:

(2) The formal notice to file a tax return referred to in paragraph 1 above may be served by any means of public communication deemed appropriate by the tax authorities, in particular by means of the press, public notices or publication on a designated website.

SECTION M 3 a: (1) Notwithstanding the provisions of Article M 3 of this Code, the tax authority shall publish, at intervals determined by it, the list of taxpayers according to their status.

- **taxpayers who are up to date with their obligations;**
- **inactive taxpayers ;**
- **taxpayers removed from the records of the tax authority.**

(2) The publication of the lists referred to in Paragraph 2 above shall take place in accordance with the conditions set out in Section M 3 of this Code.

DIVISION II: OBLIGATION TO PRESERVE DOCUMENTS AND PERIOD OF PRESERVATION

Section M. 4.- Taxpayers shall be bound to produce, at the request of the tax authorities, all mandatory accounting documents and records supplemented, where necessary, by the accounting items applicable to the nature of the activity undertaken, in order to establish the genuineness of the information mentioned in the tax return.

These obligations shall also apply to accredited representatives appointed under the conditions provided for in Section Ml above, as well as managers of trusts, insurance trusts, or similar entities established in Cameroon.

Section M. 5.- The books, registers, documents over which the right to control, right of access and right to investigate may be exercised by the tax authority, and any form whatsoever, must be preserved for a period of 10 (ten) years, from the date of the last operation they recorded therein or from the date when the documents were drawn up.

Section M 6.- Registers of transfer of stocks and shares, attendance sheets, minutes of shareholders' meetings and board meetings, the management report duly approved by shareholders or partners, and where applicable, regulated agreements as well as auditors' reports must be produced at the request of tax authorities.

Whenever requested by the taxation authority, enterprises shall also be bound to present the internal audit procedures, general ledger, the accounting procedures and organization special ledger as well as the data-processing procedures.

Section M 6(a) - Notwithstanding the provisions of Section M 6 of this Code and mindful of the application of the penalty provided for in Section M 104 (2) of the Manual of Tax Procedures, the taxpayer is required to spontaneously transmit to his tax centre within fifteen (15) days:

- The auditor's reports, as soon as the company has been notified of them;
- Inventories, duly signed and initialled, from the date on which they submitted to court registries.

Section M 6 b: (1) Any enterprise required to certify its financial statements, pursuant to the provisions of the OHADA Uniform Act on Accounting and Financial Reporting, must attach to its statistical and tax return a certification statement issued by a duly authorised auditor.

(2) Failure to comply with the obligation referred to in paragraph 1 above shall result in the imposition of a fine of CFAF 50 million, which may not be remitted, without prejudice to the liability incurred by the statutory auditor.

(3) The auditor shall be liable in particular for the validation of financial statements containing false invoices, concealment of turnover, deliberate omission of significant information, or any acts that may mislead the tax authorities as to the accuracy of the certified accounts.

(4) Notwithstanding the penalties provided for in the instruments governing the profession, a warning may be issued to the auditor by the competent authorities, at the request of the tax authorities, which may also refer the matter to the competent CEMAC Commission for the purpose of striking the offender from the regional register of certified public accountants and auditors.

(5) The fees and charges relating to the statutory audit referred to in this Section shall be fixed by a special instrument of the Minister in charge of finance.

SECTION M 6 c.- (1) Any taxpayer whose annual turnover is equal to or exceeds 1 000 000 000 (one billion) CFA francs shall be required to attach to their statistical and tax return a tax review report prepared by a CEMAC-approved tax advisor who is registered with the Order.

(2) Failure to produce the report referred to in paragraph (1) above shall be liable to a fine of:

- 10 000 000 (ten million) CFA francs where the taxpayer falls under the jurisdiction of the Large Taxpayers Department;
- 5 000 000 (five million) CFA francs where the taxpayer falls under another taxation centre.

(3) The tax adviser shall be liable, both to his clients and to third parties, for any damage resulting from errors or negligence committed in the performance of his duties. In the event of professional misconduct causing damage to third parties, he may be held civilly liable and his licence suspended, as appropriate.

(4) The tax adviser must provide proof of professional liability insurance and hold a valid CEMAC 'pink' card.

(5) The fees and charges relating to the tax review certification referred to in this section shall be fixed by a special instrument of the Minister in charge of finance.

DIVISION III: OBLIGATION TO PAY TAXES

Section M 7.- Any person liable to a tax, duty, levy, royalty or advance payment of a tax or levy, as well as to the payment of taxes collected by deduction at source from third parties on behalf of the State or any other legal entity under public law, must pay their debt to the tax Revenue office within the time limits set by law.

With the exception of the specific case of some duties which shall be laid down by regulation, the payment of the aforementioned taxes and duties shall be made in accordance as follows:

- by bank transfer or electronic means;
- in cash exclusively at bank counters or approved financial agents for localities without bank branches.

In the specific case of companies with a specialized management unit, notably the entities managing medium-sized and large companies, taxes, duties and fees in excess of CFAF 100 000 must be paid by electronic means.

By derogation from the methods of payment provided for in the above paragraphs of this section, transfer duties on death may, where appropriate, be paid in whole or in part by way of a dation in payment, in accordance with the conditions laid down by a special instrument issued by the Minister in charge of finance.

Section M 7 a.- (1) No one may invoke a claim on the state to shirk their return and payment obligations.

(2) Under no circumstances may taxes deducted at source or for which the taxpayer is only legally liable to be subject to clearing of any kind.

(3) No person may refuse to pay a tax, duty or levy, or request for an exemption on the basis of the destination or allocation of the proceeds of such tax, duty or levy.

Section M 7 b.- Agreements and specifications may not contain tax provisions, except under conditions specified by the laws and regulations to institute duly established special tax regimes.

Section M 8.- (1) All payments shall be acknowledged by a receipt. These receipts shall be exempted from stamp duty. A duplicate thereof may be issued to the taxpayer upon request.

The receipt corresponding to the payment of taxes, duties and fees shall be exclusively generated by authorized information systems, in accordance with the terms and conditions laid down by a special decree of the Minister of Finance.

(2) Every tax, duty, fee or levy payment made by bank transfer must bear clear indications on the taxpayer's identity and type of tax and fee for which payment is made.

For every payment of tax, fee, duty or levy by bank transfer, the financial institution shall issue a transfer certificate specifying the tax concerned. In case of transfer of several taxes, duties fees or levies, the transfer certificate must be accompanied by a summary statement of the payments per type of tax, duty, fee or levy paid, and bear the official stamp of the financial institution.

Upon producing the transfer certificate, together with the summary statement, a payment receipt shall automatically be issued to the taxpayer at the time of filing his returns.

The date indicated on the transfer certificate shall be deemed to be the date of payment. Transfer certificates which lead to entry of the corresponding amounts in the public Treasury account beyond the deadline for payment of the tax or which turn out to be unsuccessful, shall trigger the application of the penalties and default interest provided for under Section M 106 of this Code.

The taxpayer and the financial institution shall be jointly liable for payments made in the above mentioned conditions resulting in the issuance of a receipt by the tax authority and shall be liable to the penalties in case of default.

(3) Where a tax, duty or fee is paid electronically, the date of payment shall be deemed to be that of entry of the amount credited to the single Treasury account domiciled at the Central Bank.

DIVISION IV: ADMINISTRATIVE OBLIGATIONS

Section M 8 a.- (1) Corporate billing and production shall be monitored electronically by the tax authority under conditions laid down by order of the Minister in charge of finance.

This shall apply in particular to businesses in the information and communication technology sector (ICT), trade, electricity, games of chance and entertainment, insurance, drinks, oilseed products and digital bouquets sectors, as well as all enterprises under the entity responsible for managing large enterprises of the tax authority.

To implement the system of electronic monitoring of invoicing and production of enterprises, the tax administration may use external experts under the conditions defined by agreement between the parties.

-(2) Irrespective of their status or nature, companies shall be bound to comply with the electronic monitoring system referred to in paragraph (1).

Without prejudice to the recovery of taxes evaded, together with the penalties and criminal sanctions provided for in Section L 108 and others of the Manual of Tax Procedures, failure to comply with the obligations relating to the electronic invoicing or production monitoring system is punishable by a fine equal to:

- The value of the invoices in question, in the case of electronic invoice tracking;
- The production value concealed as a result of the breach, in the case of electronic production monitoring.

Charges owed to financial establishments **and to payment institutions** during the payment **or credit transfer** of their taxes, including receipts for payment are compelled to fall within the range of 500 to 10 000 CFA francs. In no circumstance shall the charge exceed 10% of the tax and levy paid

(3) Financial establishments **and payment institutions** that do not comply with the ceilings established in **paragraph 2 above** shall be liable to a non-discountable fine corresponding to the amount of the excesses billed.

Section M 8 b.- Damage shall be established and ascertained as follows:

- the taxpayer shall submit an application to his tax office;
- the damage shall be established and ascertained within 15 (fifteen) days following the date the application is submitted;
- a report shall be drawn up and signed by all the parties. The taxpayer's refusal to sign shall be indicated in the report.

Section M 8 c.- The documents relating to the various tax procedures may be notified electronically to taxpayers by the tax authorities under conditions laid down by regulation.

The procedural documents notified electronically shall be deemed to have been received 48 hours after issuance of the acknowledgment of receipt by the computer system of the tax administration. Procedural deadlines shall run from that date.

DIVISION V
OBLIGATION TO DECLARE THE BENEFICIAL OWNER

Section M 8d.- (1) Under pain of the fine provided for in Section M 104 of the Manual of Tax Procedures:

a. Legal persons as well as administrators of legal entities under Cameroonian or foreign law established in Cameroon, whether or not they are subject to corporate tax or personal income tax, must identify their beneficial owners and keep an updated register to this effect;

b. the beneficial owner shall be obliged to provide the persons referred to in point (a) of this subsection with all the information necessary for his identification.

(2) The persons referred to in subsection 1 above or, where applicable, their legal representatives, shall be required to declare to the taxation administration the information relating to their beneficial owners, under pain of the fine provided for in Section M 99 of the Manual of Tax Procedures:

- within 30 (thirty) days from the date of their registration;
- no later than 15 March of each year, together with their Statistical and Tax Return.

(3) The information contained in the register of beneficial owners and the supporting documents relating to a beneficial owner shall be kept for a minimum period of 5 (five) years from the end of the year in which the beneficial owner ceased to be a beneficial owner, or from the end of the year in which the legal entity or the duties of the administrators of the legal entities ceased.

(4) The conditions for implementing this Section shall be laid down in a separate instrument.

DIVISION VI
REAL-TIME TAXATION

SECTION M 8 e (new): (1) Notwithstanding the provisions of this Code, the collection of taxes, duties and levies payable on some transactions may be carried out under the real-time taxation system through an electronic system set up by the tax authorities.

(2) Real-time taxation shall consist in the immediate, automatic and secure collection of tax at the time of the transaction, through an electronic system.

(3) Taxpayers subject to the real-time taxation regime shall:

a. use only the equipment, software or electronic devices authorized by the tax authorities;

b. issue electronic invoices or documents containing information as stipulated by the legislation in force;

c. carry out instantaneous and continuous transmission of invoicing or transactional data to the tax authorities;

d. ensure the accuracy and preservation of the information transmitted.

(2) In the specific case of downstream oil sector operations and the distribution of natural gas for industrial use, real-time taxation shall be carried out through deduction at source by the Cameroon Petroleum Storage Company (SCDP), the National Refining Company (SONARA) and natural gas production or distribution companies, at the time of removal or delivery of taxable products.

(5) Tax credits or surplus payments in connection with the application of this regime shall be eligible for offset, refund or reimbursement in accordance with the terms and conditions set out in the tax legislation.

(6) The terms and conditions for the implementation of this section shall be laid down by order of the Minister of Finance.

(7) Failure to comply with the obligations set out in this section shall be punished in accordance with the provisions of this Book.

SUB-PART II:
TAX CONTROL

CHAPTER I:
RIGHT TO CONTROL

DIVISION I:
GENERAL PROVISIONS

Section M 9.- Sworn tax officers who are at least of the rank of inspector, shall be empowered to control the bases of all taxes payable by the taxpayers whom they inspect.

In tax offices that do not have officers of the rank of Inspector, such officers shall be substituted by sworn tax officers of at least the rank of Controller, under the supervision of the head of the center or the competent supervisor.

To exercise their duties, the duly authorized officers may be assisted by any other lower-ranking tax officer carrying their professional card.

DIVISION II:
SPECIAL PROVISIONS RELATING TO VALUE ADDED TAX (VAT)

Section M 10.- Persons liable to Value Added Tax may not, on account of their import or export transactions, invoke for all their transactions incompetence on the part of officials of the Department of Taxation of at least the rank of tax inspector, checking the regularity of the deductions provided for by the General Tax Code and proceeding to regularize the deductions or exemptions effected unduly on the VAT paid or due.

However, lower-ranking officials may act on written orders from the tax inspector.

Any taxpayer who, after the validation of his Value Added Tax credit, disputes the total or partial rejection of the credit may seek for a general accounts audit.

DIVISION III:
CONDITIONS FOR EXERCISING THE RIGHT TO CONTROL

SUBDIVISION I:
ON-THE-SPOT CHECK

Section M. 11.- Tax officers of at least the rank of inspector, carrying their professional cards and a copy of the audit notice, shall carry out on-the-spot controls of the accounts of taxpayers bound to produce and keep accounting documents.

In tax offices that do not have officers of the rank of Inspector, such officers shall be substituted by sworn tax officers of at least the rank of Controller, under the supervision of the head of the center or the competent supervisor.

To exercise their duties, the duly authorized officers may be assisted by any other lower-ranking tax officer carrying their professional card.

Accounts shall be audited at the head office of the enterprise or at the place of its main establishment.

Where this is not possible in either of these two places, the taxpayer must expressly request that it be conducted either in the accountant's office, or in the offices of the tax authority.

Section M. 12.- (1) The overall fiscal situation of any taxpayer liable for Personal Income Tax may be audited.

During audit, the tax authority shall control consistency between the income declared by the taxpayer for purposes of Income Tax, his cash position, assets and elements of his lifestyle.

2) The overall fiscal situation shall be audited in the office of the tax authority or the business premises of the taxpayer being audited.

3) Only sworn officers of the tax authority with at least the rank of inspector may carry out an audit of the overall tax situation.

Section M 13 new - (1) At least fifteen (15) days before the date set for the first intervention, the tax authorities shall send, by registered letter or by hand delivery with acknowledgement of receipt or by discharge slip, an account verification notice or verification of the overall tax situation.

Mention must be made in the audit notice, under pain of the latter being nul and void, of the possibility of:

- Being assisted by a CEMAC-approved tax adviser registered with the order or an approved management centre of their choice;
- Consulting the audited taxpayer's charter on the tax authority' website.

(2) Within the framework of the audit of the overall tax situation, an audit notice shall be forwarded to the taxpayer under the same conditions referred to in Subsection (1) above within 15 (fifteen) days before the start of the first audit.

The audit notice referred to in Subsection (2) above shall include an application for a statement(s) of account(s).

Section M. 14.- Where the initial date of first audit is postponed on the initiative of the tax authority, the tax service must compulsorily forward to the taxpayer, a corrective notice.

The taxpayer may also request the postponement of the audit through a written application 15 (fifteen) days

following reception of the notice. Such postponement must be accepted expressly by the Administration.
Failure by the tax authority to respond within 15 (fifteen) days shall be tantamount to acceptance.

Section M 14 a: (1) During the first on-site check, the auditor shall prepare a report establishing the start of the material control operations, and countersigned by the taxpayer or, where applicable, his representative. Any refusal to sign shall be mentioned in the report.

(2) The period of on-site checks provided for in Section M 40 of this Code shall run from the effective date of commencement of the work as specified in the report provided for in subsection (1) above.

Section M. 15.- The tax authority may conduct spot checks. In such a case, it shall deliver an audit notice directly to the taxpayer who shall acknowledge receipt thereof during the first audit.
During this operation, the tax authority shall limit its action to making material findings on reports, without carrying out a critical examination of accounts.

Section M. 16.- Where the notice bears no indication as to the taxes, duties or years or periods of assessment, the items to be audited shall be all the taxes owed by the taxpayer for the period still due for payment. In such a case, the audit shall be a "general audit".
The tax authority may conduct partial audits consisting of verifying all taxes, duties or fees for a financial year or a given tax due for all or part of a non-statutory period, on condition that this is specified in the audit notice.
The audit may however go one or more years back beyond the barred period where such years show a deficit, in so far as such deficit realized can be carried forward and charged to the profit under a non-barred year for which they constitute expenditure.
The audit may also go back one or more years beyond the barred period where such years of assessment show a Value Added Tax credit to be carried forward to the first return of the non-barred year.

Section M 16 a.-The administration may also carryout spot checks consisting in verifying taxes, levies and duties liable to voluntary payments over a period not exceeding a fiscal year.
In this case, the taxpayer shall be served a callback notice at least 8 (eight) days before the date of the first intervention.

Section M. 17.- Where the tax service intends to extend the audit to a period or tax not indicated on the initial audit notice, it shall forward another notice following the same manner and deadline laid down in Section M. 13 et seq. of this Manual, indicating the new period or new tax to be audited.

Section M. 18.- (1) Where the exercise of the right to control of the tax authorities requires special technical knowledge, the Authority may solicit the technical advice of experts **designated** by the Minister of Finance.
Such consultants shall be professionally liable in case of damage resulting from their work.

(2) The tax authorities may**,** in the exercise of their right to control, also intervene jointly with the customs administration or solicit national and/or international experts under agreements to which Cameroon is a party. Reference shall be made in the control notice.
Notwithstanding the joint intervention of the two administrations, the applicable procedures shall remain governed by the Manual of Tax Procedures for the General Directorate of Taxation and the CEMAC Customs Code for the General Directorate of Customs.

Section M 19.- (1) Where accounting is computerized, the accounting must be organised in line with procedures that make it possible to meet the relevant genuineness and security requirements, under the form and conditions provided for by Section 22 of the OHADA Uniform Act to organise and harmonise corporate accounting.
In such a case, the taxation authority shall be empowered to seek, in accordance

with Section M. 8 above, technical assistance from experts to conduct tests on the equipment used by the enterprise and check:

- the accounting system used;
- all of the information, data and processing directly or indirectly used to produce these accounting or tax results or to draft the documents which are mandatory under the General Tax Code;
- documents concerning analyses, programming and execution of processing.

(2) Where accounting is kept using computerized systems, the taxpayer subject to an accounting check shall be required to submit, at the beginning of control operations, in usable dematerialized form, a copy of the accounting entry files of the period checked.

Any changes to the accounts over the period checked shall be prohibited upon submission of the accounting entry files.

Failure to submit the said file at the beginning of operations shall be deemed an obstruction to tax inspection.

Accounting systems must keep an unalterable technical audit log recording all entries, modifications or deletions, with timestamps and user IDs. This log must be kept for a minimum period of ten (10) years.

In the event of a discrepancy duly noted in the report between the accounting documents and the accounting entry files submitted at the beginning of the on-the-spot check, the tax authority may reject the accounts for lack of accuracy and carry out an arbitrary assessment based on the available information, in accordance with the provisions of Section M 30 of the General Tax Code.

The burden of proof regarding the authenticity and accuracy of the accounting entries lies with the taxpayer, who must attest that the data submitted is consistent with the actual accounts and has not been altered.

Section M 19(a) (new). - (1) Enterprises established in Cameroon which are dependent on or control companies located in Cameroon or outside Cameroon, within the scope of Section 19(a) of this Code, and which meet one of the conditions set out below, must make available to the tax authorities, on the date of commencement of the accounts audit, in electronic format, documentation enabling them to justify the pricing policy applied in transactions of any kind carried out with affiliated companies established in Cameroon or outside Cameroon in accordance with Section 19 (a) of this Code:

- have an annual turnover excluding tax or gross assets of an amount which is either equal to or greater than CFAF 1 000 000 000 (one billion);
- hold directly or indirectly, at the end of the financial year, more than 25% of the share capital or voting rights of a company established in Cameroon or outside Cameroon whose annual turnover excluding tax or gross assets is greater than or equal to CFAF 1 000 000 000 (one billion).
- be owned directly or indirectly, at the end of the financial year, more than 25% of the share capital or voting rights, by a company established in Cameroon or outside Cameroon whose annual turnover excluding tax or gross assets exceeds CFAF 1 000 000 000 (one billion).

(2) The content and format of the transfer pricing document which is not a substitute for supporting documents for each transaction shall be defined by a separate instrument.

(3) If the required documentation is not handed over to the officials of the Tax Authorities or only partially on the date of commencement of the accounting audit, the Tax Authorities shall send to the enterprise concerned a formal warning to produce or complete it within 15 (fifteen) clear days, specifying the nature of the documents and addition expected. This formal notice must indicate the penalties applicable in the absence of a response or in the event of a partial response.

(4) Failure to reply or partial response to the formal notice referred to in Subsection 3 above shall result in the application, for each financial year audited, of a fine of 5% of the amount of the transactions concerned by the documents or supplements which have not been provided to the administration after a formal warning notice.

The amount of the fine applied per transaction may not be less than CFAF 50,000,000 (fifty million).

Section M. 20.- Civil and military authorities shall lend assistance and support to tax officials in the discharge of their duties, wherever required to do so.

Section M. 20 a.- (1) Tax adjustments shall fall within the exclusive competence of the tax authority. Any other public body for the control of financial and social accounts other than the tax authority, which, during its control missions, finds tax law offences must automatically inform the tax authorities. The tax authorities shall immediately undertake a tax control operation under the conditions laid down by the General Tax Code.

(2) If, in the normal course of their duties, the tax authorities notice cases of fraud or breaches of tax benefits granted, or non-compliance with commitments made in connection with the granting of an exemption or special regime, the said benefits shall be immediately suspended and the duties shall be collected for the unspecified period, in accordance with the procedures laid down in this Code and without prejudice to other penalties provided for by the regulations in force.

SUBDIVISION II: DESK AUDITS

Section M. 21.-The tax authority may check the returns filed by taxpayers at the offices of the authority without sending a prior notice to the taxpayer, as part of the control of documents.

Such controls shall be limited to the examination of returns, instruments used to establish taxes as well as the documents submitted in order to obtain deductions, repayments or refunds.

In any case, the purpose of examining documents shall be to ensure coherence of the taxpayers' returns and not a general accounting control.

SUBDIVISION III: REQUESTS FOR CLARIFICATIONS AND JUSTIFICATIONS

Section M. 22.- The tax authority may make a written request to taxpayers to furnish all information, justification or clarification concerning returns filed and deeds submitted, including those for income categories for which they are not bound to keep accounts.

Taxpayers must respond within 30 (thirty) days from the reception of the request. Failing this, the procedure of arbitrary assessment defined in Section M. 29 *seq* of this Manual shall apply to determine the taxes concerned by the request.

Section M 22 a: In the course of tax inspections, the establishment of failure to produce supporting documents in a report during an intervention in an enterprise shall lead to the total inadmissibility of such documents in the subsequent contentious phase, both before the Administration and before the tax judge.

SUBDIVISION IV COMPLIANCE DIALOGUE PROCEDURE

Section M 22b.- (1) Regardless of the provisions of sections M 21 and M 22 of the Manual of Tax Procedures and subject to the provisions of sections M 34 and M 36 of the same Manual, the tax authorities may, on the basis of the returns filed by a taxpayer or extra-accounting information in its possession, engage in a compliance dialogue aimed at clarifying and, if necessary, regularizing the tax situation of the latter.

(2) In this regard, the administration shall send the taxpayer a written invitation to a working session at least 8 (eight) days before the session date. This invitation must specify the purpose of the meeting as well as the documents to be provided, if any.

(3) The compliance dialogue may result in:

- either spontaneous regularizations when the taxpayer acknowledges the validity of the tax administration's observations. Such regularizations shall not give rise to the application of penalties.
- or a schedule for a tax audit when differences remain between the parties at the end of the inter partes exchanges.

(4) The period of inter partes exchanges as part of the compliance dialogue shall not exceed 45 days from the date of the first working session on the subject.

(5) In any case, the compliance dialogue shall not directly result in a remedial notification or an ex officio assessment.

(6) The compliance dialogue must result in a report prepared and signed by both parties. Any refusal to sign shall be mentioned in report.

DIVISION IV: ADJUSTMENT PROCEDURES

SUBDIVISION I: ADVERSARY ADJUSTMENT PROCEDURE

Section M 23.- Where the tax authority notices a shortcoming or an inaccuracy or omission in the data used as a basis to calculate any taxes, duties or sums due under the General Tax Code, the corresponding adjustments shall be made following the adversary procedure. The onus of proof shall lie with the tax authority.

Section M 24.- (1) After control, the service shall send a reasoned and quantified notification adjustment, or absence of adjustment to the taxpayer.

(2) The adjustment or non-adjustment notice shall, under pain of the proceedings being considered null and void, be forwarded to the taxpayer within 60 (sixty) days with effect from the end of spot checks, materialized by an end of audit report, except under special circumstances duly explained.

(3) The taxpayer must forward his comments or state his acceptance within 30 (thirty) days of receiving the notification of adjustment, except for duly justified special circumstances.

(4) Failure to respond within the prescribed time-limit shall be deemed acceptance and the taxes, duties and fees thus recalled shall be immediately enforced.

Section M 25.- In the case of adjustments made within the framework of a limited audit, a spot check or a documentary control, the administration shall serve the taxpayer an adjustment notice stating the reasons and amounts concerned, and giving the taxpayer a response deadline of thirty (30) working days, with effect from the reception of notice.

Section M 26.- Where the remarks made by the taxpayer within the time-limit shall be deemed well founded in whole or in part, the tax authority must give up all or part of the adjustments notified. It shall inform the taxpayer thereof in a letter representing a “response to the taxpayer’s comments” addressed with an acknowledgement of receipt.

Where the tax authority intends to maintain the initial adjustments, it shall confirm them in the “response to the taxpayer’s comments” and inform the latter that he has the possibility of lodging a complaint by virtue of Section M 116 *et seq* of this Manual.

In any event, the response to the taxpayer’s comments shall be sent to him, under pain of nullity of the procedure, within 30 days of reception of the taxpayer’s comments, save for duly justified circumstances.

Section M 27.- The response to the taxpayer’s comments shall mention, for information, the settlement of the amounts due following the audit and the reasons for the penalties applied as well as the amounts thereof.

Section M 28.- The adversary procedure shall not apply to stamp duty where this is not paid on the basis of a statement or return, as well as in the case of arbitrary assessment of the tax base, as provided in Sections M. 29 *et seq* of this Manual.

SUBDIVISION I A
QUALITY CONTROL OF ADJUSTMENTS

Section M 28a.- (1) The audited taxpayer or the audit service may, at any time during the tax audit procedure, but prior to the issuance of the assessment notice, **request** for arbitration on some proposed tax adjustments where the differences of opinion between the parties are obvious and the proposed tax levels are such as to prejudice the continuation of the company's activity.

- the Head of the Regional Tax Centre with territorial jurisdiction, where the total amount of the disputed adjustments is less than or equal to 50 000 000 (fifty million) CFA francs;
- The Director General of Taxation, for other cases.

(2) The appeal provided for in subsection 1 above shall suspend the time limits for the control procedure.

(3) The arbitration decision taken as part of this appeal shall be binding on the tax audit authority.

SUBDIVISION II:
ARBITRARY ASSESSMENT PROCEDURE

Section M. 29.- Taxpayers who have not filed their returns within the legal time-limit provided for pursuant to the General Tax Code in their capacity as liable persons shall be subject to arbitrary assessment.

For the purposes of the preceeding subsection, the arbitrary assessment procedure shall be possible only when the taxpayer has not regularized his situation within the 15 (fifteen) working days following reception of a reminder representing a notice to file a return.

Section M. 30.- The arbitrary assessment procedure shall also apply:

- where the taxpayer fails to respond, within the time-limit laid down in Section M. 29 above, to a request for clarifications and justifications;
- in case of failure to designate a tax representative in Cameroon;
- in case of failure to keep or produce all or part of the accounts or supporting documents recorded in the report;
- in case of rejection of accounts deemed irregular or inconclusive by the tax authority; or
- in case of refusal of tax control.

The arbitrary assessment procedure shall equally apply to any taxpayer who abstains from furnishing details and sub-details of certain accounting items specific to the activity undertaken.

The arbitrary assessment procedure shall also apply to any taxpayer who declares a total taxable income below the fixed amount determined by applying a legal scale to certain items of lifestyle, where the difference between the two methods of income evaluation exceeds at least 40% of the net total income declared during one of the two previous fiscal years.

SECTION M 30 a: (1) The following breaches in computerized accounting may result in the total or partial rejection of the accounts and, consequently, in the application of arbitrary assessment:

a. alteration of accounting entries: any modification, deletion or falsification of accounting entries or documents after notification of the audit notice, changing their substance;
b. obstruction of the IT audit: refusal to grant access to the auditors or their designated experts, in accordance with Section M 18, to the IT system, accounting files or data necessary for auditing the accounting entries and examining the audit trails.

(2) The rejection of the accounts shall be subject to a formal and adversarial procedure:

a. In the event of alteration of accounting records: the tax authorities shall draw up a report specifying the nature, extent and period of the changes noticed. The report shall be notified to the taxpayer, who shall have 8 (eight) days to submit their comments and justifications in writing.

b. In the event of obstruction of the IT audit: the tax authorities shall issue a formal notice, by any means allowing to establish the date of receipt, calling on the taxpayer to provide the required access within 8 (eight) days. Refusal shall be recorded in a report of failure to comply, drawn up in the presence of both parties or, failing that, bearing a note of the taxpayer's refusal to sign it.

(3) Upon expiry of the time limits specified in paragraph (2), in the absence of compelling justification, the rejection shall become final and shall automatically entail arbitrary assessment.

Section M. 31.- The bases or data used to calculate the taxes imposed arbitrarily shall be made known directly to the taxpayer, through an adjustment notice specifying their methods of determination. The taxes concerned shall be issued for collection forthwith and shall be mentioned in the adjustment notice.

Section M. 32.- The adjustment notice shall mention that the taxpayer who is subject to arbitrary assessment has the right to contest to the tax authority in accordance with Sections M. 116 *et seq* of this Manual. The onus of proof shall lie with the taxpayer who must justify by all means that the taxes imposed on him are too high or unfounded.

SUBDIVISION III:
PROCEDURE OF ABUSE OF THE LAW

Section M. 33.- Any operation in the form of a contract or legal instrument concealing the realization or transfer or profits or income effected directly or by an intermediary shall not be binding on the tax authority, which authority shall have the right to maintain the true character of the operation and accordingly determine the bases of assessment of company tax or personal income tax. In the event of a court case, the burden of proof shall lie with the tax authority.

SUBDIVISION IV
TAX RULING PROCEDURE

Section M 33a.- (1) Any taxpayer may, prior to the conclusion of a transaction in the form of a contract, a legal document or an unspecified project, seek the opinion of the tax authority on the tax system applicable to him. Where the taxpayer has provided the tax authority with all necessary elements for the assessment of the real scope of the transaction in question, the position stated by the latter shall protect the taxpayer against any later change of interpretation.

(2) Failure by the administration to respond within 3(three) months to a request for tax ruling from a taxpayer who has provided all the information required to assess the scope of the intended transaction shall imply tacit acceptance of the position stated by the taxpayer in his request. In such a case, the protection provided for in subsection 1 above shall apply.

SUBDIVISION V
PRIOR TRANSFER PRICING AGREEMENT PROCEDURE

Section M. 33b.- (1) Companies that are directly or indirectly dependent on or control other companies located outside Cameroon in accordance with the provisions of Section 19a of this Code may request the tax authorities to conclude a prior agreement on the method of determining transfer prices for a period not exceeding 4 (four) financial years.

(2) The conditions for implementing this section shall be laid down in a separate instrument.

SUBDIVISION VI: LIMITS OF THE RIGHT TO AUDIT

Section M. 34.- The total or partial omissions noticed in the basis of assessment, the inadequacies and inaccuracies or assessment errors may be corrected by the tax authority up to the end of the fourth year following that under which the tax fell due.

They may also be corrected spontaneously by the taxpayer himself without any penalties, subject to the following **alternative** conditions:

- before delivery of a notice of inspection or an adjustment notice in the event of the control of documents;
- **within thirty (30) days of the date of approval of the accounts by the competent body, except in case of force majeure.**

Beyond this time limit, the taxpayer may still carry out adjustments where such adjustments can determine additional tax payable.

Where a civil, commercial or criminal court or where an official activity reveals the existence of fraud, the recovery right of the tax authority may be exercised up to the end of the fourth year following that of the establishment of the facts.

They may also be corrected spontaneously by the taxpayer himself before delivery of a notice of inspection or an adjustment notice in the event of the control of documents. In such a case, no penalty shall be applied.

Section M. 35 new.- Limitation shall be interrupted by the filing of the audit notice, by the adjustment notice, by the return or notification of a report or by any deed acknowledging the tax on the part of the taxpayer.

Section M. 36.- Where the audit under a given year of assessment in respect of a tax or group of taxes is completed, the tax authority may not undertake further inspection for such taxes under the same year of assessment.

However, the tax authority shall reserve its right of resumption, with regard to these taxes and levies. It shall have the right to rectify, within the resumption period, the previously notified basis, provided only that the proposed amendments do not arise from evidence obtained from further assessments within the enterprise.

In addition, where the taxation authority has lodged a complaint for fraudulent acts, it may conduct a further check.

Section M. 37.- There shall be no increase in back taxes where this is caused by a dispute concerning an interpretation in good faith, at the time, of a tax provision whose facts are officially admitted by the tax authority.

Section M. 38.-*Deleted*

Section M. 39.- Taxpayers being audited simultaneously for VAT and Personal Income Tax or Company Tax may be granted deductions, under a given year of assessment of the additional tax relating to operations undertaken during that same year, on condition that they so request expressly prior to the issue of the taxes.

Section M. 40.- (1) Where accounts are audited, spot checks in the enterprise may not exceed three months save under special circumstances duly explained.

Such time limit shall be extended by 9 (nine) months in the following cases;

- in case of control of transfer pricing, from the date of effective receipt of complete documentation related to transfer pricing;
- in case of implementation of information exchange procedure provided for under tax agreements, from the date of transmission of the request for information.

(2) In the context of overall personal tax situation audit, the audit operations must be undertaken within a maximum period of one year between the date of delivery of the assessment notice and the date of the delivery of the adjustment notice, except under special circumstances duly explained. Upon the discovery of a clandestine activity, the period may be extended for six months.

(3) Notification to the taxpayer of a request for the production of documents or information shall suspend the aforementioned audit time limits from the date of such notification. The time limits shall begin to run again either on the date of presentation of the documents or information requested by the tax authorities or on the date on which the failure to comply is recorded in a report jointly signed by the tax authorities and the taxpayer.

Section M. 41.- The documents of the procedures mentioned in this Manual shall be forwarded to the taxpayer who shall return an acknowledgement slip or sign the mail delivery register; the postal address communicated to the tax authority being binding, the taxpayer is supposed to have received the said mail 15 (fifteen) working days after its dispatch, the postmark being authentic.

Section M 41a: (1) Notwithstanding the provisions of Sections M 9, M 10, M 11, M 12, M 16 and M 21 of the Manual of Tax Procedures, a taxpayer may be exempted from a tax audit for a given fiscal year if, at the end of that year, the rate of increase in taxes and duties to be paid spontaneously is at least **20%** compared to the previous year.

(2) When determining the rate of increase referred to in paragraph (1) above, account shall be taken of the total number of unsolicited payments actually paid, plus any adjustments resulting from tax audits for the said financial year.

(3) The increase rate to be taken into consideration shall exclude additional revenue resulting from an authorization to deduct tax at source, a new tax measure or the commencement of a new activity.

(4) The taxpayer who claims the benefit of the provision of Section M 41 a shall submit to the Director General of Taxation a request for exemption from tax audit for a given financial year within a period of twelve (12) months following the end of the said financial year. The Director General of Taxation shall have a period of three (03) months to notify the applicant of the tax authority's decision. Failure to reply within the three (03) month period shall be considered as a rejection.

(5) The exemption from tax audits referred to in paragraph (1) above shall not apply or shall be withdrawn when the existence of fraud is established by the administration.

CHAPTER II: RIGHT TO INFORMATION

Section M. 42.- Duly authorized tax officers of at least the rank of tax controller or persons ranking as such shall be entitled to access, on hard and electronic copies of documents kept by the persons and bodies listed in section M.43 below, for the purpose of checking the returns filed by taxpayers or obtaining information for a foreign tax authority, without the possibility of objection on grounds of the provisions of the law on banking secrecy, the law on the protection of personal data, as well as professional secrecy subject to Section M.47 of this Manual.

The right to information may not in itself give rise to an adjustment notice.

They may be assisted by other lower-ranking tax officers carrying their professional card.

DIVISION I: PERSONS SUBJECT TO THE RIGHT TO INFORMATION

Section M 43.- The following shall be subject to the right to information: all natural persons or corporate bodies paying salaries, fees, royalties, or receiving, managing or distributing funds on the account of their members, all public authorities including the police and gendarmerie, public enterprises and establishments, or bodies controlled by the administration, social security institutions, courts and tribunals, all persons having the status of trader, industrialist, craftsman, farmer or practising a liberal profession, persons carrying out insurance operations, banks, stockbrokers, depositories of public documents and companies required to keep registers of transfers of stocks and shares, attendance lists of general meetings, minutes of board meetings and auditors' reports.

Section M 44.- (1) The right to information shall be exercised on the initiative of the tax service on a simply written application. The tax officers must send or deliver a notice of passage to the person concerned prior to their arrival. He shall furnish the information requested within 15 (fifteen) days, from the reception of the notice of passage the post mark or signed mail register, in case of direct delivery, being authentic.

(2) Any person failing to respond to avoids or objects to the right of access within the time limit indicated in section M. 44 (1) above, shall be issued a formal notice to allow access. He shall comply within 8 (eight) days of reception of the notice, the postmark, or signed mail register, In case of direct delivery being authentic.

Failing that he shall be liable to the fines provided for in section 104 of this manual.

However, during hearings of matters before civil, commercial or criminal courts, the courts must, without any prior requests on his part, make known to the Director General of Taxation, any information they may have, likely to suggest any tax fraud, attempt to defraud or prejudice a tax or duty.

Section M 45.- The right of access shall be exercised on the spot. However, tax officers may take copies of the documents concerned without the person subject to the right of access listed in Section M. 43 of this Manual raising an objection.

Provided that, within the specific framework of a VAT credit expense claim procedure and in the context of a request for information on behalf of a foreign administration, the tax authority may, from the office, order the production of all or part of information relating to a file. In this case, the production of the aforesaid information shall be preceded by the following expression:

"*I declare on my honour that the following information is exact, failing which, I shall be liable to sanctions provided under Section M. 104 of the Manual of Tax Procedures*".

Section M. 46.- During the 15 (fifteen) working days following the rendering of any decision by civil, administrative or military courts, the documents shall remain lodged with the court registry, at the disposal of the tax service. Such period shall be reduced to 10 (ten) days in criminal matters.

The reports drawn up during any arbitration shall be kept at the disposal of the tax service during a period of 15 (fifteen) working days with effect from their deposit.

Beyond such period, the tax authority shall have access to such information on a written request on its part, submitted to the competent court of the area.

DIVISION II: SCOPE AND LIMIT OF PROFESSIONAL SECRECY DEMURRABLE TO THE TAX AUTHORITY

Section M. 47.-(1) Tax officers shall be bound by professional secrecy and may not divulge any information collected in the performance of their duties. This shall also apply to information obtained from foreign tax authorities, within the framework of mutual administrative assistance in tax matters under international conventions.

(4) Only information concerning the health status of patients or national security classified as "defense secret" shall be covered by professional secrecy.

Section M 48.- Subject to reciprocity, tax officials shall not be bound by professional secrecy in respect of members of the Supremes State Audit, Treasury, Customs Economic and Financial Brigades officials acting within the scope of their duties as well assistance in tax matter under an international convention.

At the request of the Director General of Taxation, the State Council shall provide all the information required for the proper discharge of the duties of the tax Authorities.

DIVISION III: SPECIFIC CONDITIONS FOR EXERCISING THE RIGHT TO INFORMATION

Section M 48 a.- (1) At the request of the tax authorities, public and private bodies of various types shall be bound, permanently and at specified times, to provide them with all data and information in their keeping that are necessary for the taxation of third parties.

(2) Conversely, the tax authorities may provide the said partner bodies, at their request, with specific information within the limits of professional secrecy defined in Section M 47 of the Manual of Fiscal Procedures.

(3) Protocols for collaboration shall be concluded between the Parties in order to facilitate the exchange of information in accordance with the aforementioned arrangements.

Section M 48 c : Under pain of penalty provided for in section M104 of the manual of tax procedures, any natural or legal person regularly hired to audit the accounts or to carry out the tax review of a public or private entity shall be bound to submit the report of his work to the tax authorities no later than the 15th of the month following the end of his task.

CHAPTER III: RIGHT TO INVESTIGATE, TAKE STOCK AND ACCESS

I- RIGHT TO INVESTIGATE

Section M. 49.- Tax officers of at least the rank of tax controller may order the production and collect copies, in a tangible or intangible form, of bills, stores accounts as well as books, registers and professional documents concerning operations having entailed or entailing payment.

They may also order the production and collect copies of all customs supporting documents relating to the collection of VAT on importation, actual exportation or application of a suspensive regime.

Except for premises used as a private residence, they may, to that end, gain access to professional buildings, plots warehouses, and means of transport for business purposes and their loading, and carry out material verification of physical features of the enterprise.

Within the specific framework of a VAT credit claim procedure, the right to investigate shall allow the tax authority to ascertain the authenticity of invoices and other documents produced.

During the first control, a notice of the visit shall be given to the taxpayer or his representative. In the absence of the taxpayer or his

representative, the notice shall be given to the given person who receives the tax investigators, and in this case, a report shall be prepared and signed by all parties. The investigator shall, in case of refusal to sign, mention this in the report.

Section M. 50.- A report relating the operations undertaken shall be drawn up after every control.

Within 30 (thirty) days following the last control or hearing, a report recording the defaults noted or the absence of such defaults shall be drawn up. The list of documents having been used to establish the violations shall be appended to the report.

The report shall be signed by the officers who participated in the control and by the taxpayer. Should the latter refuse to sign, this shall be mentioned.

The right to investigate shall not in itself give rise to an adjustment notice.

Section M 50 a.- Any person who evades or opposes the exercise of the right of investigation shall be served a formal notice. He must comply as from the date of reception of the notice, the postmark or sign out form in the event where personal delivery is reliable. Failing that, he shall be subject to the sanctions provided for in Section M. 104 of this Manual.

II- RIGHT TO TAKE STOCK

Section M. 50b.- (1) Tax officers shall conduct unannounced operations to physically recognize stocks of one or several products under the non-prescribed period.

During the first intervention in the stock recognition procedure, a notice shall be served to the taxpayer or his representative.

(2) During the operations referred to in Subsection (1) above, the taxpayer shall, upon request, provide the tax officers with electronic copies of the statement of stock movements for the above mentioned periods and give them access to the stock processing and tracking software.

(3) In any case, the taxpayer or his representative has the obligation to provide to the Tax Officers of at least the rank of a Tax Inspector with copies of all documents or digital material related to stock management, in particular:

- delivery (or reception or entry) notes of materials, goods, products, in which the characteristics, date of entry of stocks, quantities and unit prices are specified by type of item;
- exit (or removal) notes of materials, goods, products, in which the characteristics, date of exit, quantities removed and unit prices are specified by type of item;
- stock information sheets, if any, after each entry, at the end of the period or on a First-In-First-Out (FIFO) basis;
- stock processing and tracking software.

(4) Within 30 (thirty) days following the end of the stock recognition procedure, a report indicating the existing stocks, any failings observed or absence of such failings shall be drawn up. An adversarial statement of stock findings shall be attached to the report.

The report shall be signed by the officers who took part in the operation and by the taxpayer. Refusal on his part to sign shall be entered in the report.

(5) The stock recognition procedure cannot in itself give rise to a notice of adjustment.

(6) Penalties for stock recognition are the same as those for the right to investigate.

III- RIGHT TO ACCESS

Section M 50 c.- (1) Sworn tax officers with at least the rank of inspector may, with the authorization of the judge, control premises and places for professional use, as well as land and warehouses or private premises.

(2) These control operations shall be made between 8 am and 8 pm or beyond these hours when access by the public is authorized.

(3) The administration may implement any necessary protective measures during such control.

(4) The visit shall end with a report recording the material facts. This report shall be signed by the officers who participated in the control and by the taxpayer.

(5) Any person who evades or opposes the right to investigate shall be liable to the sanctions provided for in Section 104 of this Manual.

SUB-PART III : TAX COLLECTION

CHAPTER I: METHODS OF COLLECTION

DIVISION I: COMPETENCE IN RESPECT OF TAX COLLECTION

Section M 51.- (1) The collection of taxes and duties shall be assigned to the Tax Revenue Collectors.

(2) A Tax Revenue Collector is a public accountant under oath.

Section M 52.- The competent Tax Revenue Collector shall collect the duties and taxes assessed by taxpayers in their returns and paid on their own initiative upon filing them. They shall also collect the sums assessed by the tax authority on verbal declaration of taxpayers or during controls.

DIVISION II: NOTICE OF ISSUE FOR COLLECTION

Section M 53.- (1) The notice of issue for collection shall be an enforceable deed for the forceful collection of taxes, duties and levies.

(2) The notice of issue for collection shall be drawn up and notified to the taxpayer where a written declaration is not accompanied by the means of payment or following a non-market value return or the final procedure document in the case of a control.

(3) Subject to the approval of the Director General of Taxation, the Notice of issue for collection may be drawn up before filing the last procedural document in particular in the context of a general accounts audit, when the taxes have been expressly accepted in the minutes by the taxpayer. In this case, a Partial Recovery Notice is issued for the principal amount of the tax accepted and the penalties and interest for late payment normally due. At the end of the control procedure, a supplementary collection notice is issued for the outstanding taxes.

The notice of issue for collection rendered enforceable by the Head of the Competent Tax office of the area shall be handled by the competent Tax Revenue Collector.

The Tax Revenue Collector shall notify the taxpayer with the notice of issue for collection who shall have 15 (fifteen) days to pay his debt.

The notice of issue for collection rendered enforceable by the head of the Competent Tax Office of the area shall be handled by the relevant Tax Revenue Collector. The Tax Revenue Collector shall notify the taxpayer of the issue for collection who shall have thirty (30) days to pay the debt.

The Notice of Issue for Collection made enforceable by the head of the Tax Centre having territorial jurisdiction shall be handled by the attached Revenue Collector. The Revenue Collector shall issue the Tax Collection Notice to the taxpayer who has fifteen (15) days to pay his debt. This deadline shall be thirty (30) days when the tax debt is the result of a tax audit, except in cases of automatic taxation for which this deadline remains fifteen (15) days.

(3) The taxpayer may also be notified of the Notice of Issue for Collection by electronic means. In this case, the Notice of Issue for Collection shall be deemed to have been notified when the system generates an acknowledgement of receipt.

Section M 54.- The Tax Revenue Collector shall issue a receipt upon payment of the duties and taxes.

CHAPTER II: PROCEEDINGS

DIVISION I: ORDINARY LAW PROCEEDINGS

Section M 55.- Ordinary law proceedings shall comprise three phases: the warning representing an order to pay, distraint and sale.

These three phases shall constitute legal proceedings, that is, only the law courts shall be competent to rule on the validity of the instruments.

SUBDIVISION I WARNING REPRESENTING AN ORDER TO PAY

Section M 56.- In case of failure to pay the sums mentioned in the notice of issue for collection within the time-limit, and subject to respite of payment defined in Section 121 of this Manual, the competent Tax Revenue Collector of the area concerned shall issue a warning representing an order to pay.

Section M 57.- The warning representing an order to pay shall be delivered by process servers.

The warning representing an order to pay must be delivered directly to the taxpayer himself or his representative or, in case of absence, the head of the competent administrative unit of the area.

Section M 58.- The warning representing an order to pay shall contain, under pain of nullity, the references of the notice issued for collection by virtue of which the proceedings are instituted, with the detailed listing of the sums claimed showing the principal, the penalties and costs. It shall state that "this order is an obligation to pay the debt concerned within 8 (eight) days, failing which your movable property shall be seized".

Section M 59.- Where the warning representing an order to pay is not followed by payment within 8 (eight) days, following its receipt by the taxpayer, the competent Tax Revenue Collector of the area shall take other measures, namely, seizure and sale.

Special or ordinary law measures shall be taken by process servers, sworn collectors commissioned by the Minister in charge of Finance and performing the duties of bailiff.

SUBDIVISION II: DISTRAINT

Section M 60.- Upon expiry of the 8 (eight) days following receipt by the taxpayer of the order to pay, the process server shall proceed to seize the movable property belonging to the debtor. Distraint shall be carried out under conditions laid down by the OHADA Uniform Act to organize simplified collection procedures and executions.

Section M 61.- Distraint shall be executed notwithstanding opposition. However, where the taxpayer offers to pay wholly or partially, the competent Tax Revenue Collector of the area shall be authorized to stop the execution.

Section M 62.- Any claim for the movable property and effects seized, may be entertained in court only one month after the claimant submitted it to the Tax Revenue Collector who instituted the proceedings.

Pending the ruling, all measures of conservation shall be taken by the Tax Revenue Collector.

Section M 63.- Where the collection officer cannot discharge his duties because the doors are locked or due to a refusal to open them, he shall post a guard at the door and forthwith notify the administrative authority who shall order the premises to be opened. The head of the administrative unit or his representative must be present during the opening and seizure, and sign the report recording the incident.

Section M 64.- Measures of conservation must be taken to prevent the secret removal of objects constituting the guarantee of the debt.

Section M 65.- In case of failure to pay the taxes and fines due by the debtors, the Tax Revenue Collector may have to proceed with the attachment of the said sums being held by trustees or debtors of the taxpayers themselves.

The attachment shall be executed at the instance of the Tax Revenue Collector without prior authorization and in the manner provided by the OHADA Uniform Act to organize simplified collection procedures and executions.

Section M 66.- In case of manifest insolvency, a report of insolvency shall be drawn up by the tax collection officers in two copies, one of which shall be sent to the Tax Revenue Collector to be used as a document supporting the statement of irrecoverable assessments.

SUBDIVISION III: SALE

Section M 67.- The sale of seized property expressly authorized by the Director General of Taxation shall be conducted by the auctioneer or, in his absence, the process server, in the manner in which sales by court order are conducted.

The sale shall be interrupted once the proceeds are sufficient to pay the duties, taxes and fines due on the day of such sale, as well as the legal costs.

The proceeds shall be paid forthwith to the Tax Revenue Collectors who shall issue a receipt to the distrainee and keep the surplus until total payment of the costs.

Each sale shall be conducted in the presence of the collector of taxes and shall entail the drawing up of a report.

Section M 68.- Each process served must, under pain of nullity, indicate the amount of the legal costs fixed at 1% of the amount of the debt, including penalties, not exceeding CFA francs 100,000, intended to remunerate writ servers under conditions laid down by order of the Minister in charge of finance.
The writs and documents relating to orders to pay, distraints and sales and any writ aimed at collecting taxes, duties and penalties due, as well as writs and documents relating to legal proceedings shall be exempted from stamp duty and registration formalities. Such exemption shall be extended to originals and copies of incidental deeds and shall apply to the stamp on bills required for the sale by the OHADA Uniform Act to organize simplified collection procedures and executions.

Section M 69.- Any distraint or sale conducted contrary to the formalities prescribed by this Manual may entail legal proceedings against those who conducted it and they shall bear the costs thereof.

Section M 70.- (1) Officials responsible for the collection of taxes, duties and fees provided for in this Manual shall benefit from the regulations governing the protection of public officers stipulated in Sections 152 to 158 of the Penal Code.

(2) In case of insults and resistance, they shall draw up a report on such resistance and forward same to the State Council through official channels.

DIVISION II: SPECIAL LEGAL PROCEEDINGS

SUBDIVISION I: NOTICE TO THIRD-PARTY HOLDERS

Section M 71.- Trustees, holders or debtors of sums belonging to or owed to persons liable to tax, penalties and incidental costs, whose collection as is guaranteed by the preferential rights of the Treasury, are bound, upon a request in that regard in the form of a notice to third party holder served by the tax collector to pay in lieu of the liable persons concerned, the funds in their keeping or which they owe, up to the amount of the taxes due from such liable persons.
The third party holder, upon receipt of the notice to third party holder, shall be required to inform the tax administration, within a maximum period of seventy-two (72) hours, of the balance of the account of the taxpayer being prosecuted. The said balance mentioned on the acknowledgement of receipt given to the tax administration shall be immediately allocated for the settlement of the taxpayer's tax debt.
Any refusal to sign or to comply with a notice to a third-party holder established by a bailiff shall entail the third party's joint and several payment without prejudice to the penalties provided for in Section M 104 of the Tax Procedures Manual.
The penalties applicable for refusal to sign a notice to third party holder or non-execution of a notice to third party holder may not be mitigated or reduced.
The tax authority must inform the liable person of the forwarding of the notice to third-party holder, specifying the third-party concerned.

Section M 72.- The purpose of the notice to third-party holder shall be to ensure upon reception, the allocation of the sums thus requested, to the payment of the taxes regardless of the date when the claims, whether conditional or due, that the liable person has vis-à-vis the third party holder, actually fall due.

Section M 73.- Any notice to third party holder shall remain valid until full repayment of the debt for which it was issued or upon obtaining a release from those who issued it.

SUBDIVISION II: EXTERNAL WRIT

Section M 74.- The external writ shall be issued by the assigned collector of taxes to a Treasury accountant or another collector of taxes for the collection of taxes and levies, including those deducted at source and not paid.

It shall be issued when taxpayers, particularly regional and local authorities or administrative public establishments, have claims or grants domiciled with such accountants or in case of change of permanent address of the taxpayers concerned.

It shall also be issued to the body responsible for centralizing and adjusting local taxes, in the event of non-payment by regional and local authorities of taxes and levies deducted at source.

It shall also be issued to the customs revenue collector where the debtor is an importer. In this case, the competent customs service may retain the goods.

Section M 75.- The external writ shall authorize the assignee Treasury accountant to allocate, upon receipt, the sums whose transfer is thus demanded, for the payment of tax debts.

It shall also authorize the assignee collector of taxes to take legal proceedings against the taxpayers concerned.

SUBDIVISION III: FREEZING OF BANK ACCOUNTS

Section M 76.- Tax Revenue Collectors may freeze the taxpayer's bank accounts without prejudice to the penalties provided for elsewhere, in case of non-settlement on the due date, after formal notification of the sums duly assessed.

SUBDIVISION IV: CLOSURE OF THE ESTABLISHMENT

Section M 77.- (1) The competent Tax Revenue Collector may automatically and immediately close down the establishment (s) without prejudice to the penalties provided for elsewhere, in case of non-settlement, after notification, of the sums duly assessed.

(2) The closure of an establishment shall end forthwith upon payment of the full amount due.

SUBDIVISION V: IMPOUNDMENT OF A VEHICLE

Section M 78.- (1) Failure to present a valid vehicle registration document**,** a certificate of tax compliance and a certificate of payment of vehicle stamp duty to the authority in charge of controlling them, notably officers of the Directorate General of Taxation specially authorized to record this offence, will entail the impoundment of the vehicle in compliance with the appropriate procedure relating thereto.

(2) The impoundment of a motor vehicle shall end forthwith upon payment of the full amount due.

SUBDIVISION VI: EXCLUSION FROM PUBLIC CONTRACTS

Section M 79: Failure to pay taxes, duties or levies following a formal notice shall entail a temporary ban from bidding for public contracts, expressing intention to buy a public corporation under privatization, participating in stock market transactions, applying for forest exploitation licences or applying for the issuance of secure documents; and a permanent ban in case of a further offence.

The Director General of Taxation shall each quarter draw up and publish a list of taxpayers banned from bidding.

Section M 80.- Special prosecution measures shall be official instruments. As such, they may be challenged before the tax authority in accordance with Section M. 116 *et seq*. of this Manual.

CHAPTER III: COLLECTION GUARANTEES

DIVISION I: PREFERENTIAL RIGHTS OF THE TREASURY

Section M 81.- The preferential rights of the treasury shall guarantee the collection of all duties, taxes and penalties with a basis, assessed by the Department of Taxation, as well as the collection of penalties assessed by the Department of Taxation, and that of the Treasury.

Section M 82.- (1) The preferential right of the Treasury shall cover all movable and immovable property belonging to the taxpayer wherever they may be located, under the rank conditions laid down in Section 107 of the OHADA Uniform Act relating to security interests.

(2) As a special measure, and as any other creditor, the tax authority may, as a last resort, proceed to carry out a distraint or sale of the immovable property of the person liable in accordance with the OHADA Uniform Act to organize simplified collection procedures and executions.

Section M. 83.- The sums due guaranteed by the preferential right of the Treasury must be published at the registry of the competent court. The privilege shall cover a period of two years with effect from the date of issue for collection.

Section M. 84.- Bailiffs, court registrars, auctioneers, notaries, trustees in bankruptcy, receivers and all other trustees of public funds may not deliver to heirs, creditors or other rightful claimants entitled to receive the sequestered sums deposited, unless upon evidence of payment of the duties, taxes and penalties due by the persons from whom the sums were collected. Furthermore, as and when necessary, the said receivers and trustees shall be authorized to pay directly the taxes due before delivery of the funds; the receipts for the said taxes shall be entered into their accounts.

DIVISION II: LEGAL MORTGAGE

Section M 85.- For the collection of taxes of all kinds and fiscal penalties falling within the jurisdiction of the collector of taxes, the tax authority shall have legal mortgage over all the immovable property of taxpayers.

Such mortgage shall be ranked on the date of its registration at the Land Registry. It may be entered only as from the date of issue for collection of the taxes concerned and the penalties relating thereto.

DIVISION III: JOINT AND SEVERAL PAYMENT

Section M 86.- The notice of issue for collection regularly drawn up shall be enforceable not only against the taxpayer who is mentioned therein but also against his representatives or rightful claimants.

Accordingly, any employer, farmer or tenant or, in general, any debtor or third party holder shall be bound to pay the debt of the taxpayer at the request of the officer responsible for the collection and up to the amount of which they are trustees or debtors.

The third-party holder shall be jointly and severally liable for payment of the sums claimed in case of gross negligence, established failure or complicity.

In case of transfer, irrespective of the conditions, the transferee may be held jointly and severally responsible along with transferor for the amount of the taxes issued and those to be issued. He may be accused only under the non-barred period and only up to the transfer price where the transfer was done against payment, or of the value fixed for the settlement of the transfer of rights *inter vivos* where this takes place free of charge.

Where the rights over natural resources or stocks or shares of an enterprise under Cameroonian law are transferred abroad, the Cameroonian law enterprise, including subsidiaries, and the transferor shall be jointly and severally liable to payment of the sums due under such transfer.

Section M 86a.- (1) In the event of an indirect transfer of shares, bonds and other capital shares of a company governed by Cameroonian law, including rights relating to natural resources, the company shall be required to:

- declare this transfer to its Tax Centre within 15 (fifteen) days of signing the said contract(s). This period shall be extended to 3 (three) months where the transfer is made abroad or involves entities governed by foreign law;
- produce a document explaining how the assets transferred are valued.

(2) In the event of non-compliance with the obligations referred to in subsection (1) above, the tax authorities may assess the potential capital gain of the transaction by any means.

(3) The administrative assessment of the capital gain shall be enforceable against the real and legal parties liable to its payment, provided that the latter can prove the contrary.

Section M 86 b: Where it is established that a single identification number has been fraudulently used in an operation or a transaction, the related taxes shall be jointly and severally payable by all the parties to the said operation or transaction.

Section M 87.- Each spouse, where both spouses live under the same roof, shall be jointly and severally responsible for the taxes assessed in the name of his or her spouse as personal income tax, save for situations provided in the General Tax Code.

Heirs or legatees may be prosecuted jointly and severally for taxes unpaid by the original taxpayers.

Section M 88.- Where the collection of certain taxes, duties and penalties due from companies has been totally compromised or where the insolvency of the companies has been organized by fraudulent manœuvres of persons who are de jure or de facto, direct or indirect managers of such companies, such persons shall be held jointly and severally responsible for payment of the taxes and penalties.

DIVISION IV: LIMITATION

Section M 89.- Sums due from the taxpayers for taxes and duties assessed by virtue of the General Tax Code shall be barred after a period of 4 (four) years following the due date, where no instrument has been issued to end the limitation.

The limitation above may not be invoked in the case of taxes deducted at source or those for which the person liable is only a collector.

Section M 90.- (1) Limitation shall apply in favour of the State against any request for refund of sums paid as duties and taxes provided for in the General Tax Code, after a period of 2 (two) years as from the payment of the said duties and taxes.

The collector of taxes who has not instituted any proceedings against late taxpayers over a period of 4 (four) consecutive years from the day of issue for collection shall lose his appeal and shall forfeit all his rights and actions against taxpayers.

(2) The limitation deadline referred to in section M 90 (1) above shall be extended to three (3) years for requests for refund of VAT credits.

DIVISION V: IRRECOVERABLE TAXES CONSIDERED AS BAD DEBTS

Section M 91.-For taxes which cannot be collected due to a change in the fortune or situation of the taxpayer at the time of assessment of such taxes, the collector of taxes shall submit the lists of irrecoverable taxes to the Director General of Taxation.

Section M 92.- The lists referred to in Section M. 91 above shall, for each irrecoverable tax, indicate the nature of tax or duty, reference of the issue for collection and the amounts uncollected, as well as any information or details showing clearly that such taxes have become irrecoverable. They shall be submitted along with documents to support the measures taken to recover the said taxes.

Section M 93.- The Tax collectors of who are personally and financially responsible for tax recovery may be granted a discharge, and thus be fully or partially freed from performing such duty where the bad debts are officially listed by decision of the minister in charge of finance, upon approval by the Director General of Taxation in consultation with a representative of socio-professional associations.

Section M. 94.- The Minister in charge of finance shall issue a registered certificate for all taxes-considered as bad debts.

CHAPTER IV
DEBT CLEARENCE CERTIFICATE

Section M 94 a.- (1) Any natural or legal person owing a tax, duty or levy who is up to date with the filing and payment of said taxes, duties and levies may, on request, obtain a tax compliance certificate from the tax authorities. This certifies that the taxpayer is up to date with his or her tax declaration obligations and does not owe any tax debts due at the date of issue.

(2) Notwithstanding the provisions of Section M 94a (1) above, the debt clearance certificate may also be issued to a taxpayer who owes a tax debt, where:

- the deadline provided for in Section M 53 of the Book of Tax Procedures for the payment of the tax debt has not expired;
- the latter has been granted under a payment suspension or moratorium duly granted by the competent authorities.

In such a case, the tax debt and the nature of the suspensive instrument shall be indicated on the tax compliance certificate.

(3) The tax compliance certificate is issued online from the tax administration's computer system. The authenticity of any tax compliance certificate issued electronically is verified by its inclusion on the list of tax compliance certificates published electronically by the tax authorities.

The tax compliance certificate shall be valid for 3 (three) months with effect from the date on which it is signed.

This period shall be reduced to 1 (one) month where the taxpayer has benefited from a suspension of payments or a moratorium on his or her tax debt.

Section M 94 b.- (1) Any natural person or corporate body liable for tax, duties or charges that requests a title, license, certification, attestation, authorization or approval whatsoever from public or semi-public government services within the context of carrying out their activities, must necessarily mention their Unique Identification Number (UIN) on the request and attach thereto a valid tax compliance certificate. Failure to produce this document shall lead to inadmissibility of the request.

(2) The tax compliance certificate shall serve as tax or non-tax certificate and tax situation slip. It shall be the only valid document in all administrative procedures to prove the tax situation of a taxpayer.

Section M 94c.- (1) The following are subject to presentation of a valid tax compliance certificate:

- Transfers of funds abroad by profession tax payers;
- The issuance of exemption certificates and payment of taxes and duties;
- Payment of invoices and subsidies by the State, decentralised local authorities, public establishments, partially or wholly state-owned companies and private companies, the list of which is drawn up by the Minister of Finance;
- Export transactions ;
- visa applications at diplomatic and consular missions.
- connection or subscription to the electricity, water and telephone networks;
- the issuing of passports;
- import operations carried out by non-professional taxpayers;
- the issuance of a land title;
- the issuance of a vehicle registration document.

CHAPTER V
TRANSFER OF TAX RECEIVABLES AND DEBTS

Section M 94 e: In the event of restructuring of enterprises, tax receivables and debts shall be transferable from the dissolved entity to the absorbing entity.

CHAPTER VI:
INTERNATIONAL ASSISTANCE IN THE RECOVERY OF TAX CLAIMS

SECTION M 94 g: (1) The tax authority shall implement international assistance in the recovery of tax claims, either at the request of a foreign authority or at its own initiative, based on international instruments binding on Cameroon or, otherwise, on grounds of reciprocity.

(2) Foreign tax claims for which recovery is requested in Cameroon shall be treated as domestic tax claims of the same nature. As such, they shall be granted the same privileges and guarantees and recovered using the same procedures.

(3) Objections concerning the existence, validity or amount of the foreign claim or enforcement order shall fall within the exclusive jurisdiction of the authorities of the requesting State.

(4) Objections concerning the legality of recovery measures implemented on Cameroonian territory shall fall within the jurisdiction of the Cameroonian authorities.

(5) The terms and conditions for the implementation of this article shall be laid down by a special instrument of the Minister in charge of finance.

SUB-PART IV:
PENALTIES

CHAPTER I:
FISCAL PENALTIES

DIVISION I:
ASSESSMENT PENALTIES

SUBDIVISION I:
INADEQUATE RETURN

Section M 95.- The inadequacies, omissions or inaccuracies affecting the tax base or data, and which have led the tax authority to make adjustments shall give rise to the application of a 1.5% interest in arrears per month up to a maximum of 50%, calculated on the basis of charges to be borne by the taxpayer following the notification of the last procedural deed in case of control.

Interest in arrears shall be calculated as from the day following the day when the tax return bearing inadequacies, omissions or inaccuracies was deposited up to the last day of the month of notification for adjustment.

Section M 96.- (1) Any inadequacies, omissions or dissembling which affect the base or elements of assessment and lead the authority to make adjustments, mention of which must be made expressly in the last procedural document, in addition to the interest in arrears provided for in Section M. 95, shall attract the following additional penalties.

- 30 % in case of good faith;
- 100 % in case of bad faith;
- 150% in case of fraud, without prejudice to the criminal proceedings provided for in this Manual.

(2) Taxpayers who spontaneously pay all or part of the taxes charged to them following a tax audit shall benefit from the application of a 15% penalty in principle on the accepted taxes.

The penalty in principle thus decided shall not be liable to reduction or subsequent transaction.

SUBDIVISION II:
FAILURE TO FILE A RETURN

Section M 97.- (1) Any taxpayer whom after a notice to declare has not filed a return shall be liable to arbitrary assessment and his taxes shall be increased by 100%. Such increase shall be raised to 150% in case of a further offence.

(2) Without prejudice to the arbitrary assessment and increases provided for in paragraph 1 above, the defaulting taxpayer shall be liable to a fine as follows:

a. for taxpayers under the Large Tax Unit: 200 000 (two hundred thousand) CFA francs per failure to file a return;

b. for taxpayers under the Medium-sized Enterprise Taxation Centres and Specialized Taxation Centres:

100 000 (one hundred thousand) CFA francs per failure to file a return;

c. for taxpayers under the Personal Taxation Centres: 50 000 (fifty thousand) CFA francs per failure to file a return.

(3) The fines provided for in this article shall be generated and collected automatically through the tax authority's IT system upon expiry of the deadline set in the formal notice. They shall not be subject to forgiveness of tax.

Section M 98.- Interest in arrears,-in case of inadequate declaration as provided for in Section M. 95 above, shall be calculated with effect from the day following that of the filing of the return up to the last day of the month of notification, each month started being considered a full month.

The maximum amount of the interest in arrears shall be 50%.

Section M. 99.- (1) The filing after an official notice, of a return showing nil tax or a credit shall give rise to a fixed fine of CFA francs1,000, 000 (one million)

(2) After formal notice, the following shall give rise to payment of a fine of CFAF 1 000 000 per month:

- failure to file returns within the prescribed deadlines provided for in Sections 18(3), 18a, 101,102, 104, 242 and M 8d;
- the non-existence or failure to update the registers provided for in sections 18a and M 8d.

(3) Without prejudice to the penalties provided for in Section M 97 above, failure to file or forward the statistical and tax return within the deadlines provided for by the law shall give rise to a non-discountable fixed fine described in detail below:

- companies falling under the Large Tax Unit: F.CFA 5,000,000 (five million);
- companies falling under Medium-sized Enterprise Taxation Centres and Specialized Taxation Centres: CFAF 1 000 000 (one million);
- Companies falling under the Divisional Taxation Centres: CFAF 250 000 (two hundred and fifty thousand).

(4) Without prejudice to the penalties provided for in Section M 97 of this Book, failure to file or transmit, within the legal time limits, the annual return referred to in Section 74 a. of the General Tax Code shall be liable to a fixed fine, not subject to tax forgiveness or reduction, in the amount of 100 000 (one hundred thousand) CFA francs.

Section M 100.- (1) Any failure to file in, within the statutory deadline, an application to register a business or to modify some of the elements used in procuring the initial registration as well as any registration declaration that comprises manifestly erroneous information shall be liable a fine equal to two hundred and fifty thousand (250,000) CFA francs.

(2) Whoever engages in an economic activity without prior registration shall be liable to a fine of one hundred thousand (100,000) CFA francs per month.

(3) Whoever uses a single identification number fraudulently shall be liable to a fine of one million (1,000,000) CFAF per transaction.

(4) Persons who have only a salary income but are not registered within a three month deadline shall be liable to a fine of one hundred (100,000) CFAF.

(5) The conduct of the transactions referred to in Section M 1a (3) with persons without a single identification number shall lead to the application of a fine of CFAF 5,000,000 (five million) per transaction.

SUBDIVISION III: FAILURE TO INDICATE THE SINGLE IDENTIFICATION NUMBER

Section M 101.- Failure to indicate on an invoice, the single Identification Number shall entail non-deduction of VAT shown on the invoice.

SUBDIVISION IV: ABSENCE OF INVOICE OR FALSE INVOICE

Section M 102.- A fine equal to 100% of the value of the transaction with a minimum of 100,000 (one hundred thousand) francs shall be applied to any sale of goods or any provision of services not having been invoiced or for which an erroneous or incomplete invoice has been made, received or used by a professional.
Any VAT claim obtained on the basis of false invoices shall give rise to the immediate refund of the sums unduly received, in addition to a fine equal to 100% of the value of the transaction.
The refund of sums unduly received, and the related penalties shall be recovered by means of a recovery notice issued by the taxpayer's local tax office.

DIVISION II: SPECIAL PENALTIES

Section M 103.- Failure to file a return giving rise to arbitrary assessment shall entail:

- in the case of VAT, the loss of the right to deduction upstream and to VAT credit relating to a previous period;
- in the case of Income Tax, the loss of the right to charge previous years' deficits and tax credits.

Section M 104.- (1) A fixed fine of up to five million (5,000,000) CFA francs shall be applied to any person who provides false information, who objects to the right to communication or the notice to third-party holders, or who refuses to provide the information or documents required by the Tax Administration pursuant to the provisions of Sections 18 (4), 18 b (deleted), 74 a (5), 79, 93 j (6), 245, 598 a, M 1, M 6, M 8(d) and M 48 b of the Manual of Tax Procedures.
Similarly, a fine of CFAF 100 000 (one hundred) per day of delay, beyond the time limits indicated on the request, shall be applied for any attempt to object to the execution of the right to communication or notification of third party holders.

(2) The fine referred to in the first paragraph above is increased to FCFA fifty million (50,000,000) in the event of failure to comply with the obligations set out in Sections 18 b, 18c and M 6a of this Code.

Section M 104 a: (1) A fixed fine that may attain CFAF 100,000,000 (one hundred million) shall be imposed on any person who fraudulently facilitated, carried out or attempted to carry out a tax obligation or to obtain tax documents online.

(2) The use or attempted use of falsified or fraudulently obtained tax documents, whether issued or purported to be issued by the tax administration's computer system, shall be punishable by a fixed fine of up to CFAF 50 000 000 without prejudice to criminal prosecution.

Section M 104 b- Without prejudice to the recovery of taxes evaded, together with penalties, failure to issue a certificate of deduction at source or payment of taxes using the tax administration's computer system is punishable by a fine corresponding to the amount of the transaction carried outside the system.

Section M 105.- Non-compliance with the rules laid down in Sections M.1, M 2 and M 7 of this Manual may entail forfeiture of the right to operate the prohibition to bid for public contacts and prohibition to import.
Furthermore, it may entail publication in the Official Gazette or public notice of the offender’s name.

Section M 105 a: Any transfer of funds abroad by a taxpayer who is a professional without the prior presentation of a valid tax clearance certificate in accordance with the provisions of Section M 94 c of the Manual of Tax Procedures shall result in the application of a fine not liable to discount or moderation of 10% of the amount transferred, at the expense of the bank.

Section M 105b: In addition to penalties and interest for late payment, failure to declare indirect transfers of shares made abroad as provided for in Section M 1 of this Manual shall be punishable by a fine corresponding to 100 percent of the fees due.

SECTION M 105 c (New): (1) Failure to file the return in accordance with the conditions and time limits set out in Section 95 of this Code shall be punishable by a fixed fine, the amounts of which are determined as follows:

- for taxpayers under the Large Taxation Unit : 5 000 000 (five million) CFA francs;
- for taxpayers under the Medium-sized Enterprise Taxation Centres: 1 000 000 (one million) CFA francs;
- for taxpayers under the General Synthetic Tax (GST): 500 000 (five hundred thousand) CFA francs;

(2) The penalties provided for in this article shall apply without prejudice to those appliable to the late filing of returns.

(3) The management, *de jure* or *de facto*, of the legal entity at the time of expiry of the statutory time limit shall, together with the legal entity, be jointly liable for the payment of the financial penalties provided for in this article.

SECTION M 105 d: (1) Any failure to comply with the obligations under the real-time taxation system shall be liable to a fine of 500 000 (five hundred thousand) CFA francs per offence, without prejudice to the payment of the evaded duties, as well as other penalties provided for in this Code.

(2) Where failure to comply results in the evasion of all or part of the tax payable, the taxpayer shall also be liable to a fine equal to 50% of the amount of tax evaded.

(3) In case of a repeated offence within 12 (twelve) months, the fine provided for in paragraph (2) above shall be increased to 100% of the amount of tax evaded, in addition, where applicable, to the temporary closure of the establishment for a maximum period of thirty (30) days, by a decision of the tax authorities.

DIVISION III: COLLECTION PENALTIES

SUBDIVISION I: FAILURE TO PAY OR LATE PAYMENT

Section M 106.- (1) Late payment of tax shall entail application of a late payment interest of 1.5 % per month of delay.

Regarding the specific case of spontaneous payment of tax, any late return or payment shall entail the application of a 10% penalty per month of delay, without exceeding 30 % of the principal tax due.

For registration duty, default or late payment shall entail application of a fine over and above the duty itself.

The starting point shall be:

- the first day of the month following the day of receipt of a collection notice;
- the first day following the day of the statutory submission of the tax return, every month begun being considered as a whole month;
- the first day following the day of the statutory due date.

The end point for the calculation of the interest on late payment shall be the last day of the month of payment.

The same rate of interest on late payment, due from the date of custody of funds, shall be applied to any undue VAT claim received, and shall not be subject to any reduction.

(2) Without prejudice to the penalties provided for in Section 106 (1) above, failure to payment, within the deadlines provided for by law, of dues, duties and taxes withheld at source shall give rise to the application of a non-discountable or non-reducible fixed fine according to the following scale: from CFAF 0 to CFAF 5,000,000: CFAF 500,000 (five hundred thousand);

- from CFAF 5 000,001 to CFAF 25,000,000: CFAF 2,000,000 (two million);
- from CFAF 25,000,001 to CFAF 50,000,000: CFAF 5,000,000 (five million);

- above CFAF 50,000,000: CFAF 10,000,000 (ten million).

CHAPTER II: PENALTIES

DIVISION I: PRINCIPAL PENALTIES

Section M 107.- Without prejudice to the tax penalties in force, a prison term of from 1 (one) to 5 (five) years or a fine of from five hundred thousand (500,000) francs to five million (5,000,000) francs or both such fine and imprisonment shall be inflicted upon whoever:

- evades fraudulently or attempts to evade fraudulently the issue, payment, total or partial repayment of the taxes and duties referred to in the General Tax Code;
- refuses expressly to file his return within the prescribed time frame;
- conceals a part of the taxable amount;
- organizes his insolvency or obstructs tax recovery;
- obtains repayment of VAT credits through fraudulent means.

Section M 108.- The penalties referred to in Section M. 107 above shall also be inflicted upon whoever:

- fails to make or ensure the making of entries, or abets the making of inaccurate or fake entries into the journals and balance sheet books provided for by the Commercial Code, or into documents serving as such, as well as any person convinced of having drawn up or abetted the drawing of false balance sheets;
- Through all types of manoeuvres, obstructs the implementation of the system of electronic monitoring of invoicing and production by enterprises;
- through assault and battery, threats or concerted manœuvres, organizes or attempts to organize collective rejection of taxes or incites the public to reject or delay the payment of taxes;
- through assault, threats or individual manoeuvres, organizes or attempts to organize the refusal to pay his taxes;
- produces fake documents or documents recognized to be inaccurate in order to obtain tax relief or reimbursement of any kind.

Section M 109.- All persons who have been the subject of a final conviction in pursuance or the provisions of Section M. 107 of this Manual shall be bound, along with the implicated tax payer, to pay the said tax, and the penalties arising therefrom.

Section M 110.- In the event of repeated offence, penalties provided for in Section M. 107 of this Manual shall be doubled.

DIVISION II: SUPPLEMENTARY PENALTIES

Section M 111.- The criminal court, by way of supplementary penalty, may:

- pronounce the forfeitures provided for in Sections 30 and 31 of the Penal Code;
- prohibit temporarily, for a period not exceeding five(5) years, the right to exercise, directly or by intermediary, for his own account or for another person's account, any industrial, commercial or liberal profession.

The criminal court shall order, in any case, publication in full or by excerpts of the judgment in a journal of legal notices. Publication expenses shall be borne by the convicted person.

DIVISION III: LODGING OF PETITIONS

Section M 112.- Under pain of inadmissibility, petitions for the enforcement of the penalties provided for in Section M107 above shall be lodged by the Minister of Finance, after official reports have been prepared by sworn officials of the tax authority, having at least the rank of inspector and having taken part personally and directly in the establishment of the constituent elements of the offence.

<u>Section M 113</u>.- Petitions may be lodged without it being necessary to serve the taxpayer prior notice to regularize his situation. They may be lodged right up to the end of the fourth year in which the offence was committed.

<u>Section M 114</u>.- Proceedings in view of the enforcement of the penalties provided for in Section M. 107 of this Manual in the event of tax evasion, shall be brought before the criminal court in whose jurisdiction any one of the taxes in dispute would have been established or settled.

In the event that a person has committed one of the offences provided for in Section M. 107 and M. 108 of this Manual in tax matters, the minister in charge of finance may take civil action.

DIVISION IV: CRIMINAL LIABILITY OF TAX OFFICERS IN MATTERS OF TAX AUDIT

<u>SECTION M 114 a</u>: (1) Notwithstanding the provisions of Section 142 of the Penal Code, amendments of taxes, duties, levies or penalties following a regular audit procedure carried out by tax officers shall not constitute any misappropriation of funds, so long as they act within the scope of the powers and procedures provided for in this Code.

(2) Additional taxes arising from a tax procedure shall, unless proven otherwise, be deemed established for the sole benefit of the Public Treasury, in accordance with the applicable rules and procedures. The burden of proof of fraudulent intent on the part of the tax officer for requesting, collecting, granting or withholding, for his own benefit or for that of a third party, a sum that he knew to be undue, shall lie with the party bringing such complaint.

SUB-PART V: TAX DISPUTES

<u>CHAPTER I: CONTENTIOUS JURISDICTION</u>

DIVISION I: PRIOR REFERRAL BEFORE THE TAX AUTHORITY

SUBDIVISION I: GENERAL PROVISIONS

<u>Section M 115</u>.- Claims relating to taxes and penalties determined by the Department of Taxation shall be brought before the contentious jurisdiction where they seek either redress for erroneous tax assessment or calculation, or the grant of a right arising from a law or regulation.

SUBDIVISION II: CLAIMS

<u>Section M 116 (new)</u>.- (1) Any taxpayer who feels wrongly taxed or overtaxed may file a claim in writing with the head of the Regional Taxation Centre, to the head of the structure responsible for managing "large Enterprises" or to the Director General of Taxation within a period of 30 (thirty) days upon issuance of the collection notice or sure knowledge of the taxation.

(2) The above-mentioned claim must, under pain of inadmissibility, fulfill the following conditions:

- be signed by the claimant or the claimant's representative, who must be a tax adviser recognized by CEMAC and on the list of the professional association or an authorized management centre. Where the claim is submitted by a representative, it must include:
- the power of attorney allowing the latter to act as a representative;
- the valid assistance agreement in the case of an authorized management centre.
- be stamped;
- mention the type of tax, the financial year of issue, the collection notice

article number and the place of assessment;
- contain a brief statement of the party’s means and conclusions;
- be backed by proof of payment of the undisputed portion of the tax;
- be backed by copies of the procedural documents, including the audit notice, the notification of adjustment, the taxpayer's remarks, the letter of response to the taxpayer's remarks and the Collection Notice.

(3) The powers of tax authorities shall be based on the amount of claim as follows:
- the Head of the Regional Taxation Centre with territorial jurisdiction, for claims less than or equal to seventy-five million (75 000 000) CFA Francs as principal;
- the Director of the Large Taxpayers’ Office, for claims not exceeding two hundred million (200 000 000) CFA Francs as principal;
- the Director General of Taxation, for claims exceeding the thresholds set for the Regional Taxation Centres and the Large Taxpayers’ Office.

(4) The Head of the Regional Taxation Centre and the Director responsible for large enterprises shall each respond to the taxpayer's claim within 30 (thirty) days. This period shall be extended to 45 (forty-five) days for the Director General of Taxes. These responses shall be reasoned in fact and in law. These responses must be reasoned in fact and in law.

Section M 117.- *Deleted.*

Section M 118 (new).- (1) Where the decision of the Regional Taxation Centre Head, the Director in charge of the Large Tax Unit or the Director General of Taxation does not fully satisfy the claimant, he shall forward his claim to the Minister in charge of Finance, under the conditions laid down in Section M 119 below.

(2) Where the Regional Taxation Centre Head, the Director in charge of the Large Tax Unit or the Director General of Taxation fails to react within the time limit prescribed in Section M 116 above, the taxpayer may automatically forward his claim to the Minister in charge of finance.

Section M 119.- The claim submitted to the Minister, which shall serve as preliminary petition must, under pain of inadmissibility, fulfill the following conditions:
- be signed by the claimant;
- be stamped;
- be presented within a period of 30 (thirty) days from notification of the decision of the head of the Regional Centre, or the Director responsible for managing “Large enterprises”, or the Director General of the Taxation;
- indicate the type of tax or duty, the fiscal year of issue, the article of the notice of issue for the collection and the place of assessment;
- contain a brief presentation of the taxpayer’s means and conclusions;
- be accompanied by supporting documents proving payment of the undisputed part of the tax or duty and an additional 15% of the disputed part;
- be accompanied by a copy of the decision of the authority seized at the first instance;
- be backed by copies of the procedural documents, including the audit notice, the notification of adjustment, the taxpayer's remarks, the letter of response to the taxpayer's remarks and the Collection Notice.

Section M 120.- The taxpayer has the option of being assisted by a tax adviser approved by CEMAC and registered on the roll of the order or an Approved Management Centre of his choice.

SUBDIVISION III: STAY OF PAYMENT

Section M 121.- (new): (1) A taxpayer who disputes the justification for or the amount of a tax levied on him may obtain an administrative stay of payment of the disputed part of the said tax, under the following conditions:

(a) Claim filed with the Head of the Regional Taxation Centre, the Director of the entity responsible for large enterprises or the Director General of Taxation:

- provide the references of the contentious claim;
- provide the references of payment of the undisputed part;
- not have tax arrears other than those disputed;
- not be subject to criminal prosecution for tax evasion.

(b) Claim filed with the Minister of Finance:

- provide the references of the contentious claim;
- provide references of payment of the undisputed part of the charges;
- provide references of payment of 15% of the disputed part referred to in Section M 119 above;
- not have tax arrears other than those disputed;
- not be subject to criminal prosecution for tax evasion.

(c) Claim filed with the administrative judge:

- provide the references of the contentious claim;
- provide references of payment of the undisputed part of the tax;
- provide references of payment of an additional 35% of the disputed party;
- not have tax arrears other than those disputed;
- not be subject to criminal prosecution for tax evasion.

(2) Where the above conditions are fulfilled, the administrative stay of payment shall be issued electronically under conditions laid down by regulation.

(3) For tax payers in non-computerised tax centres, the stay of payment may be issued manually within a period of fifteen (15) days from the date of receipt of the request. Failure by the administration to respond within this period shall imply tacit acceptance of the stay of payment.

(4) The stay of payment shall cease to have effect eight (08) days after notification of the decision of the authority to which the tax is owed or, if no decision is given, on expiry of the period allowed for the authority to take a decision.

(5) The submission of a request for stay of payment in support of a contentious claim following the decision rendered at first instance by the administrative judge, shall only be admissible after payment of 50% of the amount of the disputed charges and consignment of 50% of the remaining part.

(6) Except in the case of taxpayers falling under the discharge tax, the legal aid provided for in Section 5(2-b) of Law No. 2009/4 of 14 April 2009 to organize legal aid shall not apply to the tax consignments set out in this Section for referral to administrative courts.

Section M 121a.- **(1)** Notwith-standing the provisions of Section M 121 (new) above, taxpayers who apply for:

- the automatic reduction of taxes levied on them following a material error attributable to the tax administration's computer system. The stay shall also be granted when the application is initiated by the tax authorities;
- an ex gratia remission of penalties or a moratorium;

(2) The stay of payment referred to in subsection 1 above shall cease to apply as from the date of notification of the administration's decision.

SUBDIVISION IV: DECISION OF THE TAX AUTHORITY

Section M 122.- *Deleted.*

SUBDIVISION V: FORM AND DEADLINE OF THE TAX AUTHORITY'S DECISION

Section M 123.- The Minister in charge of Finance shall give his decision within a time-limit of 2 (two) months of receipt of the claim. The decision which shall be in writing must be reasoned.

It shall be sent to the taxpayer by registered mail with acknowledgement of receipt or delivered to him in person against signature.

Section M 124.- Where the Minister in charge of finance remains silent beyond the aforementioned time-limit of 2 (two) months, the taxpayer may refer the matter to the Administrative Court of the assigned Taxation Centre.

SUB-DIVISION VI AUTOMATIC TAX RELIEF FROM TAXATION DUE TO MATERIAL ERRORS

Section M 124a: (1) Upon reasoned proposals from the competent services and after obtaining the opinion of the Commission for the Admission of Non-Value of Tax Claims, the Director General of Taxation shall submit to the Minister of Finance bills for the automatic tax relief resulting from material errors.

(2) Automatic tax relief bills referred to in paragraph (1) above shall be sanctioned by decisions of the Minister of Finance. Such decisions shall serve as an accounting document for the settlement of the tax debt in the books of the competent tax office.

(3) Material error refers to any kind of incorrectness relating to the settlement of the tax, the identity of the taxpayer or the amount of the taxes levied.

DIVISION II: COMPROMISE AND SUBSTITUTION OF LEGAL BASIS OR REASONS

SUBDIVISION I : COMPROMISE

Section M 125.- Once the proposal of the Director General of Taxation, the Minister in charge of finance may authorize, in case of comprise, moderation of all or part of the taxes in the following two cases:

- prior to issue for collection following an inspection procedure;
- during the entire dispute period, including for taxes whose claims have been declared inadmissible on formal grounds, where such taxes may be reviewed on merits.

Where the taxpayer accepts the proposed compromise proposal, he shall expressly undertake:

- to refrain from filing a further complaint;
- withdraw the complaints or petitions filed by him;
- pay all his outstanding taxes and penalties without delay.

Section M 125 a.- Where a taxpayer requests any kind of tax reduction or relief, the taxation authority may, at any given point of the procedure and despite expiration of the period of limitation of action, make compromise within the limits of the disputed tax, between the tax breaks recognized as justified and the inadequacies or omissions observed in the tax base or calculation during the processing of the request.

Section M 125 b.- (1) A taxpayer who makes a request for settlement during the contentious stage shall be suspended from prosecution.

(2) The processing of the request for settlement shall suspend the computation of the time-limits for the submission of a dispute to the superior authority, as well as the prosecution for recovery, for a period of 15 (fifteen) days from receipt of the settlement request by the tax authorities.

(3) The decision of the administration shall resume the measures of prosecution and the computation of the deadlines.

(4) Silence on the part of the administration at the end of the fifteen-day period shall constitute a rejection of the taxpayer's settlement offer.

SUBDIVISION II : SUBSTITUTION OF LEGAL BASIS OR REASONS

SECTION M 125 d: (1) The tax authority shall be authorized to substitute the legal basis or reasons for an amended or contested tax.

(2) The substitution of legal basis or reasons may take place:

- before issuance of the recovery notice;
- during the contentious procedure.

(3) Substitution of legal basis or reasons shall be admissible only if the taxpayer has been granted all procedural guarantees and rights of defence.

(4) In any case, the tax authority shall be bound to inform the taxpayer of the new basis or reasons and allow them the opportunity to formulate their written comments within 30 (thirty) days of notification of the substitution.

DIVISION III: PROCEDURE BEFORE THE SUPREME COURT

SUBDIVISION I: TIME-LIMIT FOR FILING A PETITION

Section M 126.- (1) In the case of direct taxes and the value added tax or similar taxes, decisions rendered by the Minister of Finance on contentious claims and which do not fully satisfy the persons concerned may be challenged before the Administrative Tribunals within thirty (30) days from the date of receipt of the instrument giving notice of the decision of the Administration, or the expiry of the period allowed for it to reply.

(2) Within the framework of the procedure before the administrative court, the taxpayer has the option of being assisted by an adviser of his choice.

SUBDIVISION II: FORM OF THE PETITION

Section M 127.- Petitions shall be filed at the registry of the administrative court where they shall be registered against a receipt. An appeal deposit certificate shall be issued to people who so request.

Section M 128.- Under pain of inadmissibility, the petition must fulfill the following conditions in respect to form and content:

- must be put in writing, signed by the petitioner or his duly authorized representative and be accompanied by two copies of the petition on unstamped paper;
- contain the summary statement of the facts and grounds and submissions of the party;
- state the amount of tax relief and penalties requested;
- be accompanied by a copy of the challenged decision;
- be backed by procedural documents, including the audit notice, the notification of adjustment, the taxpayer's remarks, the letter of response to the taxpayer's remarks and the Collection Notice.

Section M 129.- (1) A petitioner wishing to apply before the Administrative Bench of the Supreme Court for deferment of the payment already applied at the time of the complaint must expressly renew his request through an application addressed to the Minister of Finance and pay an additional amount of 10% of the contested taxes. The Minister of Finance shall have a period of 30 (thirty) days to decide.

Silence on the part of the Minister of Finance at the end of the thirty-day period shall be deemed to be a rejection of the application for stay of payment.

(2) An application for a stay of execution as defined in Section M 129 (1) above must be renewed in any additional appeal. Its rules of instruction shall be the same.

Section M 130.- The complainant may not challenge taxes before the Administrative Court, other than those referred to in his complaint to the tax authority. However, within the limit of the tax relief initially requested, he may make any new submissions, provided that he formulates them explicitly in his action initiating application.

Section M 131.- With the exception of failure to sign the initial complaint non-compliance with procedural requirements as provided for in section M.116 of this manual may, where such requirements constitute the reason for rejection of a complaint by the tax authority, be validly covered in the petition referred to the administrative court.

Section M 132.- Notification to the minister in charge of finance of a copy of the statement initiating action shall be done immediately following registration at the Court Registry.

Same shall apply to notification to the adversary of the certified copies of the petitioner's memorandum, the defense memorandums of the minister in charge of finance and the rejoinders.

The supporting documents attached to the petition or to the memorandums shall, upon reception, be automatically forwarded to the minister in charge of finance for examination.

Section M 133.- (1) The Minister of Finance shall have a period of 2 (two) months to produce his statement of defence. One out of these two months shall be used by the Director-General of Taxation to study the file. This period may be extended by one month in exceptional circumstances, after a reasoned application.

(2) The statement of defence of the Minister of Finance shall be filed in the registry of the Administrative Bench of the Supreme Court in 3 (three) copies, one of which shall be sent to the taxpayer, who has a time-limit of 30 (thirty) days to make known his memorandum of argument in reply or indicate whether he intends to have an expert review of the case.

(3) Where the Minister of Finance does not produce his statement of defence within the above mentioned two-month period, he shall be deemed to have acquiesced to the facts set out in the taxpayer's petition.

(4) Where the taxpayer fails to make his memorandum of argument in reply to the Administration's reply within the thirty-day time-limit, the taxpayer shall be deemed to have withdrawn his action.

(5) In the event of a reply by the taxpayer, the Administration may, where new pleas have been raised by the taxpayer in his reply, be invited to file a rejoinder within 15 (fifteen) days from the date of the reception of the reply.

(6) In the absence of a reply from the taxpayer or in the event of a reply and where the administration is again requested, the memorandum of the Minister in charge of finance shall terminate the exchange of documents.

Section M 133 a.- (1) The Legal Department shall have a period of 2 (two) months from the end of the exchange of writings to produce his conclusions.

(2) Where the conclusions of the Legal Department are not filed within the two-month period referred to in paragraph 1 above, the President of the Court may render his decision on the basis of the material available to him, in particular the documents exchanged by the parties

SUBDIVISION III: EXPERT ASSESSMENT

Section M 134.- With respect to taxes, duties and levies assessed by the Directorate General of Taxation, any expert appraisal requested by a taxpayer or ordered by the Administrative Court shall be conducted by three experts, except the parties agree that it be conducted by a single expert.

Where only one expert is involved, he/she shall be appointed by the president of the Administrative Court save where the parties fail to agree on his/her appointment.

Where expertise is entrusted to three experts, one of them shall be appointed by the Administrative Court and each of the parties shall designate one.

Section M 135.- The court judgment ordering the expert assessment shall specify the duties of the experts and the time limit within which they shall be required to submit their report.

Section M 136.- The president of the Administrative Court shall set the day and time for the start of interlocutory proceedings. He shall notify the experts as well as the applicant and the Director General of Taxation no less than 10 (ten) clear days before the beginning of such proceedings.

Section M 137.- Where the need arises during the expert assessment to visit the premises, the expert(s) shall carry out the visit in the presence of an official from the authority and the petitioner or his representative.

Section M 138.- The expert appointed by the Administrative Court shall prepare the minutes of the expert appraisal to be signed by the parties.

The experts shall provide either a joint report or separate reports.

The minutes of the expert appraisal and the expert report (s) shall be submitted to the Registry, together with as many copies as there are parties with separate interests in the dispute.

The minutes of the expert appraisal and the expert report (s) shall be notified to interested parties who shall make observations within 30 (thirty) days.

Section M 139.- The costs entailed by the expert assessment shall be borne by the losing party.

Stamp duty expenses incurred by the petitioner shall be included under costs.

SUB DIVISION IV: DECISION OF THE ADMINISTRATIVE BENCH OF THE SUPREME COURT

Section M 140.- At the end of the adversarial procedure, the Administrative Court shall render its decision.

All means of redress provides for in the legislation on the organization and functioning of Administrative Courts and the Supreme Court shall be open to the parties.

SUB DIVISION V: TAX MEDIATION

Section M 140 a: (1) Tax mediation is a procedure by which the parties to a tax dispute agree to use a third party mediator for its amicable settlement.

(2) Mediation shall be implemented exclusively during the litigation phase before the courts, either at the initiative of the taxpayer or the tax authorities, or at the invitation of a competent administrative court, under the conditions defined by the OHADA Uniform Act on mediation.

(3) The mediation procedure shall end either by the conclusion of a written agreement signed by the parties and perhaps by the mediator, or by the written statement of the parties to the mediator stating that they are putting an end to the mediation procedure, on the date of the declaration, and lastly by the written declaration of the mediator indicating, after consultation with the parties, that the mediation procedure cannot succeed.

(4) Taxes imposed at the end of the mediation procedure must be paid immediately by the taxpayer, failing which the mediation agreement concluded with the tax authorities will be terminated.

(5) The terms and conditions for the application of these provisions shall be specified by a separate instrument of the Minister in charge of finance.

CHAPTER II: VOLUNTARY JURISDICTION

DIVISION I: COMPETENCE OF VOLUNTARY JURISDICTION

Section M 141.- The voluntary jurisdiction shall hear complaints seeking to obtain:

- the remission or reduction of duly assessed direct taxes, lodged by taxpayers facing financial difficult-ties or destitution for whom it is impossible to settle their debts with the Treasury;
- the remission or reduction of fiscal fines or additional tax charges, where such penalties, interests or overdue payment and, if need be, the principal taxes are final In this case, the taxpayer should first of all provide evidence of the full payment of the principal tax;
- discharge from tax liability incumbent on certain persons in respect of the payment of taxes due by third parties.
- the moratorium or the obtaining of a payment schedule for taxes and duties.

It shall also hear and determine complaints by tax collectors relating to writing off of irrecoverable assessments or to discharge from liability.

Section M 142.- No rebate or moderation may be granted on the principal of taxes collected from third parties or withheld at source for the Treasury. However, fines, surcharges and late payment interest may be subject to rebate or moderation.

The partial remission and reduction of penalties, fines or interests on overdue payment may be granted on registration fees where the delay exceeds 1 (one) month only after prior payment of simple fees plus a 10% tax penalty.

DIVISION II:
TAXPAYERS' PETITIONS

SUBDIVISION I:
FORM OF THE PETITION

Section M 143.- (1) Petitions seeking to obtain tax remission or reduction shall be addressed to the competent authority in the provisions of section M 145 of this Code.

(2) The petitions referred to in subsection (1) above may be filed through the computer application of the taxation authorities in accordance with the procedures to be laid down by regulation.

SUBDIVISION II:
DECISION OF THE TAX AUTHORITY

Section M 144 (new).- (1) Subject to the provisions of Section M 96a of the Manual of Tax Procedures, remissions and moderations shall automatically be granted to the taxpayer in accordance with the following conditions:

- for green lane taxpayers: a 50% remission of the amount of penalties and late payment interest due;
- for red lane taxpayers: a 25% remission of the amount of penalties and late payment interest due;
- for red lane taxpayers: no remission in the amount of penalties and late payment interest due.

(2) Within the meaning of the provisions of subsection 1 above:

(a) Green lane taxpayers are taxpayers who are up to date with their declaration and payment obligations and who are part of an integrated partnership or an approved management centre.

Taxpayers who meet the following cumulative criteria on the date of submitting their applications shall also fall under the green lane:

- have no tax arrears or not have been granted a stay of payment or a moratorium;
- not have been subject to automatic taxation during the last three (3) financial years;
- not having been subject to tax adjustments resulting in the application of penalties in bad faith during the last three (3) financial years.

(b) Taxpayers who meet the following cumulative criteria on the date of submitting their applications shall be considered orange lane taxpayers:

- have no tax arrears or not have been granted a stay of payment or a moratorium;
- not have been subject to automatic taxation during the last three (3) financial years.

(c) Taxpayers who do not belong to any of the above categories shall be considered red lane taxpayers.

The tax administration shall, as and when necessary, publish the list of green lane taxpayers.

Section M 145.- (1) Decisions on remission or reduction shall be notified online through the IT System of the Directorate General of Taxation.

(2) However, the Minister of Finance and the Director General of Taxation may, within the limit of their relevant thresholds as outlined below, grant remission or reduction higher than the rates set in Section M 144 (new) above, as follows:

- by the Director General of Taxation within the limit of 250 000 000 (two hundred and fifty million) francs for the principal of taxes and levies and 250,000,000 (two hundred and fifty million) francs for penalties and additional charges;
- by the Minister in charge of finance for the principal of taxes and levies of an amount exceeding 250 000 000 (two hundred and fifty million) francs as well as for penalties and additional charges of an amount exceeding 250 000 000 (two hundred and fifty million) francs.

Section M 146.- Decisions taken by virtue of Section M 145 above may not be re-examined unless new facts are put forward. They shall be notified to the parties concerned under the conditions laid down in this Manual.

BOOK THREE:
LOCAL FISCAL SYSTEMS

PART I
GENERAL PROVISIONS

SINGLE CHAPTER

Section C 1.- (1) This law relates to local taxation. It lays down the taxes, duties and royalties collected on behalf of regional and local authorities, hereinafter referred to as "local authorities".

(2) Local taxation shall refer to all taxes collected by the taxation services of the State on behalf of local authorities. All such taxes shall also be referred to as "local taxes"

(3) Local taxation shall apply to councils, subdivisional councils, city councils, regions and any other type of local authority established by law.

(4) Unless otherwise specifically provided in this law, the fiscal procedures applicable to State duties and taxes shall apply *mutafis mutandis to* local tax base issuance, recovery, control, penalties, and litigation.

Section C 2.- Local taxes shall include:

- Council taxes ;
- additional council taxes on State taxes and duties;
- regional taxes and royalties;
- any other levy provided for by law.

Section C 3.- (1) A local authority may Ievy a tax, duty or fee only if such tax, duty or fee has been established by law. adopted by the deliberative body and approved by the competent authority.

(2) The rates and tariffs of local taxed and fees shall be fixed by the deliberative body of local authorities, in compliance with the ranges laid down by law.

Section C 4.- (1) The taxation services of the State shall be responsible for the administration of all taxes devolved to local authorities.

(2) The tax revenue collected by the tax authorities on behalf of local authorities and public bodies shall be subject to a deduction of 10% to cover tax assessment and recovery costs. A separate instrument shall lay down the conditions for allocating such share.

Section C 5.- To ensure the harmonious development of all local authorities, in accordance with the principle of solidarity, product of some local taxes and duties may be subject to equalization based on the criteria and conditions laid down by the laws and regulations.

Section C 6.- (1) Local taxes shall be levied and collected under the same conditions as State taxes, except as otherwise provided in this law.

(2) The State shall ensure that the annual local tax yield corresponds to a proportional rate set as a ratio of the level of its tax resources. To this end, financial services of the State involved in the fiscal management of local authorities shall be bound to collect the local taxes falling within their competence with the same efficiency as for State taxes.

PART II:
COUNCIL TAXES

Section C. 7.- (1) Proceeds of council taxes collected by the State shall be derived from:

- business license tax,
- license fees; comprehensive tax; land tax;
- immovable property conveyance fee;
- motor vehicle stamp duty:
- forest royalty;
- stamp duty on advertising.
- tourist tax;
- special excise duty to finance waste collection on behalf of regional and local authorities.

(2) The tax revenue allocated to councils may be capped in the Finance Law, as and when necessary.

CHAPTER I:
BUSINESS LICENCE TAX

DIVISION I:
GENERAL PROVISIONS

Section C 8.- Any natural or legal person of Cameroonian or foreign nationality who engages in an economic, commercial or industrial activity in a council, or who practices any other profession not included in the exemptions provided for in this law, shall be liable for the business licence tax. hereinafter referred to as "the licence tax".

Section C 9.- The effective or habitual exercise of a profession for financial gain shall entail payment of the business license.

Section C 10.- (1) The business license shall be assessed on the basis of the annual turnover declared by the taxpayer in the previous fiscal year.

(2) Deleted.

DIVISION II: WAIVERS AND EXEMPTIONS

SUBDIVISION I: WAIVERS

Section C 11.- The following shall not be liable for the business license tax:

1. the State, local authorities, public establishments and government agencies, for cultural, educational, health, social, sporting or tourist activities carried out by them, irrespective of turnover tax status;

2. hackers, whether on the street, public places or in flower or grocery markets;

3. street vendors of newspapers end periodical, excluding other stationery, provided their activity has been duly declared in accordance with the law in force;

4. business associates in a partnership, joint stock or limited liability company;

5. songwriters;

6. savings and insurance funds administered free of charge and mutual assistance schemes, provided they are duly authorized and operate in accordance with their corporate purpose;

7. army canteen managers, provided they do not sell alcoholic beverages to the public;

8. hospitals run by religious bodies or non-profit organizations;

9. Farmers, stock breeders and natural persons with a turnover of below **50 000 000 (**fifty million**) CFA** francs, for the sale of harvest and fruits from the fields belonging to them or which they exploit, or for the sale of the animals they rare or fatten;

10. company shops, farmers' unions and consumer cooperatives, provided they do not have shops and restrict themselves to grouping together the orders of their members and distributing in their shops the commodities, products or goods ordered;

11. private institutions for the reception and vocational training of poor children;

12. School facilities;

13. explorers and hunters;

14. fishermen and registered seafarers personally engaged in fishing and selling their own catch;

15. persons liable for the comprehensive tax;

16. canoe operators other than those using a motor or steam vessel;

17. farmers selling firewood harvested exclusively from land cleared for farmland;

18. sail marsh owners or farmers;

19. landlords or tenants who inadvertently let part of their personal dwelling as furnished accommodation, where such letting is not on a regular basis;

20. wage and salary earners solely in respect of their paid employment;

21. rural development cooperative societies' and agricultural mutual benefit and credit schemes Operating in accordance with their purpose;

22. cooperative and/or their unions as well as Common initiative groups (CIGs) seeking to:

(a) engage in or facilitate the production, preservation or sale of agricultural products harvested exclusively on farms owned by partners; or

(b) provide their members with farm equipment, machinery and tools for their own use

23. whether paid by commission or fixed salary, provided they have no trading character independent of their principals, commercial and industrial salespersons, whether or not they work for one or more companies, whether or not they are remunerated by means of discounts or fixed fees, provided they do not have a professional personality independent of that of the traders whose products they market;

SUBDIVISION II: TEMPORARY EXEMPTION

Section C 12.- (1) New enterprises shall be exempted from business license tax for a period of 12 (twelve) months.

(2) The period mentioned in (1) above shall be extended by 12 (twelve) months for enterprises that are members of approved management centres.

DIVISION III: TARIFFS

Section C 13.- (1) The business licence tax shall be paid by applying a rate to the turnover of the taxpayer for the previous financial year, fixed as follows:

- 0.159% on the turnover of large enterprises, for a minimum contribution of CFA francs 5 000.000 and a maximum contribution of CFA francs 2.5 billion;
- 0.283% on the turnover of medium-sized enterprises, for a minimum contribution of CFA francs 141,500 and CFA francs 4 500 000 maximum;
- 0.494% on the turnover of small-sized enterprises, for a minimum contribution of CFA francs 50 000 and CFA francs 140 000 maximum.

(2) The amount of the business licence tax calculated according to the conditions set out in (1) above shall, in addition to the principal amount of the business licence tax, include the local development tax, the additional council tax for consular chambers and the audio-visual fee. The said amounts shall be paid to each beneficiary in accordance with the rates and procedures laid down by the instruments in force.

Section C 14.- (1) The business license tax shall be assessed on the basis of the taxpayer's total turnover.

(2) For taxpayers with more than one establishment, the business licence tax shall be assessed on each establishment in proportion to its turnover.

DIVISION IV: SPECIAL PROVISIONS

Section C 15.- Business licenses shall be established with due regard to the following special conditions:

(1) Where there is no accounting data to enable the turnover of any commercial activity to be accurately assessed, such activity shall be deemed to be equivalent to ten times the stock recorded valued at its selling price. However, the inspector or controllers shall be entitled to assess the business licence tax by comparison with a similar establishment.

(2) Under no circumstances shall the imports or exports effected by a bank, branch of a bank or body acting as a commission merchant or forwarding agent, exempt customers from the import or export business licence tax. However, a trader whose transactions of this nature do not amount to 10 milllon CFAF a year shall not be deemed to be an importer.

(3) Import and export turnover shall be aggregated for the purpose of obtaining the business licence tax as an importer or exporter.

(4) The business license tax of a carrier shall not cover the itinerant trading operations af the carrier, the driver and his assistants, the shipowner, the master of the crew members.

(5) Shipping companies and airlines whose vessels or aircraft call at Cameroon ports or airports shall be subject to the business licence tax only if they have an establishment in Cameroon.

(6) Insurance companies represented in Cameroon without having an establishment in the country shall be subject to the business licence tax only at the registered office or principal establishment of the insurance agent representing them.

(7) Tax payable by service station managers shall be based on the profit margin of approved petroleum products (super, diesel, kerosene, domestic gas) and on the pre-tax turnover from other sales. A separate annual return must specify these items.

DIVISION V:
ANNUAL NATURE OF THE BUSINESS LICENSE

Section C 16.- The business licence tax shall be payable for the whole year by any person engaged in a taxable activity as at 1 January.

Section C 17.- (1) Persons who commence an activity liable for the business licence tax in the course of the year shall be liable for this tax only from the first day of the month in which they commenced the actvity, unless the nature of the activity is such that it cannot be undertaken throughout the year. In such a case, the business licence shall be due for the whole year, regardless of when the activity is started.

(2) The turnover to be taken into account for the assessment of the business licence shall be:

- for new activities, the turnover declared on the first day of commencement of the activity;
- for activities at least one year old, the turnover realised during the previous previous financial year.

Section C 18.- In the event of cessation of activity as a result of death, court ruling or petition in bankruptcy or owing to expropriation or expulsion. the business licence shall be due only up to the end af the current month. Write-off of the balance shall be granted at the request of the person liable within 3 (three) months of the event.

DIVISION VI:
OBLIGATIONS OF PERSONS LIABLE

Section C 19.- Taxpayers operating a business that requires a business licence must register their business in accordance with the Manual of Tax Procedures, even if they are exempt.

Section C 20.-Taxpayers with more than one establishment must provide details on the turnover of each establishment and its location by council to the tax authorities before 15 January each year.

DIVISION VII:
ISSUANCE AND PAYMENT OF THE BUSINESS LICENSE

Section C 21.- (1) Taxpayers subject to the business license shall declare and pay their taxes in a lump sum:

- within 2 (two) months following the beginning of the financial year, in case of renewal of the business license;
- within 2 (two) months following the expiry of the temporary exemption.

Section C 22.- (1) The business licence shall be declared online using a form provided by the tax administration *via* the e-filing application.

(2) it must be paid by means of a tax assessment notice issued exclusively through the computerized system of the tax administration.

SECTION C 22 a: (1) The tax authorities may automatically reclassify taxpayers previously subject to the General Synthetic Tax (GST) to the business license regime where their estimated or actual turnover exceeds the thresholds determined under this regime.

(2) Such reclassification may be carried out following an on-the-spot check, subsequent to a visit notice and a report to determine the taxpayer's actual turnover.

DIVISION VIII:
PENALTIES

Section C 23.- (1) Any taxpayer that fails to pay the business licence tax within the prescribed time-limit, or fails to provide within the same period the information required for the business licence tax assessment, shall be liable for a penalty of from 10% to 30% of the tax due per month of delay.

Section C 24.- Any taxpayer engaged in an activity liable for the business licence tax and that fails to pay the relevant taxes shall be automatically assessed for the whole year and the tax payable shall an additional carry charge of 50% to 100% depending on whether or not the bona fides are established.

CHAPTER II:
LICENSES FEES

DIVISION I:
GENERAL PROVISIONS

Section C 25.- (1) Any natural or legal person engaged in the following activities shall be liable for licence fees:

- production or sale (wholesale or retail) of alcoholic or non-alcoholic beverages;
- production or sale of firearms, ammunition ana explosives,
- gambling and entertainment activities.

Section C 26.- (1) The fallowing shall be considered as non-alcoholic beverages:

- non-alcoholic beer brewed from the fermentation of a wort made from malt, barley or rice, hops and water;
- cider, perry made from the fermentation of fresh apple and pear juice and. more generally, any fermented juice made from fresh fruit such as lemon, orange pineapple, pumpkin, raspberry, pomegranate, cherry, redcurrant, with the exception of wine.

(2) Beers, wines, liqueurs and drinks other than those listed in the preceding sub-section shall be considered to be alcoholic beverages.

Section C 27.- Games of chance and entertainment shall be games which, by whatever name they may be called.

- are based on the expectation of gain in kind or in cash that may be obtained through lottery or any other means:
- are intended solely for entertainment.

Section C 28.- The following activities shall be exempt from licensing: the production and sale of mineral water, aerated water, whether or not favoured. with non-alcoholic extracts, and the sale of fresh unfermented fruit juice, provided that such sales are made in an establishment other than one licensed for the sale of
dutiable beverages.

Section C 29.- (1) The business licence tax shall be personal and payable annually.

(2) It shall be payable per establishment according to the same rules as for the business licence tax or comprehensive tax.

(3) The licence tax assessment shall be based on turnover

Section C 30.- (1) The liquor licence fee shall be:

- twice the amount of the business licence tax for non-alcoholic beverages; 4 (four) times the amount of the business licence tax for:
  - alcoholic beverages;
  - firearms, ammunition and explosives;
  - gambling and entertainment.

(2) However, for activities subject to a licence tax and falling within the scope of the comprehensive tax, the licence fee shall be:

- equal to the amount of the comprehensive tax for non-alcoholic beverages.
- twice the amount of the comprehensive tax for:
  - alcoholic beverages;
  - firearms, ammunition and explosive.
  - gambling and entertainment.

Section C 31.- Where the sale of drinks is carried on concurrently with another business in the same establishment, the turnover to be considered for assessment of the licence fee shall be that declared for the sale of drinks

Section C 32.- (1). Off-licence dealers may not sell quantities of less than one litre, except in sealed bottles bearing a mark of origin. Otherwise, they shall be considered to be on-licence dealers.

(2) Whoever allows or tolerates the consumption of take-away drinks in his establishment or on his veranda shall also be considered to be an on-licence dealer.

Section C 33.- Where the operations carried out in the same establishment could give rise to different licences, such establishment shall be subject to the highest licence tax for all the operations carried out therein.

Type of Activity		Activities Liable for Business Licence Tax	Activities Liable for Comprehensive Tax
Liquor Licence Class	Basic Element	Business Licence Tax	1 time the amount of general synthetic tax
Class 1	Non-alcoholic beverages	2 times the amount of business licence tax	1 time the amount of the general synthetic tax
Class 2	- Alcoholic beverages ; - Firearms, ammunition and explosives; - Gambling and entertainment	4 times the amount of business licence tax	2 times the amount of comprenensive tax

Section C 34.- For the purpose of assessing turnover for the liquor licence, any free distribution of drinks, commercial discounts, commercial operations or transactions giving rise to barter or exchange, or any drinks set aside for personal consumption shall be deemed to be a sale.

Section C 35.- (1) Payment of the liquor licence fee shall be separate from the payment of the business licence or comprehensive tax, and the assessment of the one shall not constitute an exemption from payment of the other.

(2) The sale of drinks concurrently with another business shall give rise to payment of the liquor licence fee as well as the business licence or comprehensive tax for the other business.

Section C 36.- (1) All provisions pertaining to the payment of the business licence or the comprehensive tax, and bearing on the principles, the concept of establishment, the returns to be filed, their verification and assessment shall apply to the payment of liquor licence fees.

(2) Whoever sells beverages subject to a licence fee without authorization or carries on a business subject to a higher tax than that initially levied shall be automatically assessed for the whole year, or for the difference between the actual amount due and the amount already paid.

DIVISION II
LIQUOR LICENCE FEE RATES

Section C 37.- (1) Liquor licence fee rates are shown in the following table:

(2) The tariffs set out in paragraph (1) above shall be subject to a 50% reduction for taxpayers under an Approved Management Centre (AMC).

CHAPTER III: COMPREHENSIVE TAX

Section C 38.- (1) A comprehensive tax is hereby instituted, in discharge of the payment of the business licence, the Value Added Tax, the Personal Income Tax in respect of Industrial and Commercial Profits, Agricultural Profits and Non-Commercial Profits.

(2) Notwithstanding the provisions of paragraph 1 above, taxpayers subject to the comprehensive tax regime shall remain liable to:

- Service taxes and charges;
- Business licences ;
- deduction at source of taxes and duties on invoices submitted to entities authorized to deduct at source;
- chargeable employer contributions for their paid workers.

(3) Any Natural person subject to the comprehensive tax shall remain bound to the obligation to file their annual return as provided for in Section 74 of the General Tax Code.

(4) Income tax prepayments from the invoices of taxpayers subject to the comprehensive tax regime shall be deductible from the tax due for the following year.

DIVISION I PERSONS LIABLE TO COMPREHENSIVE TAX

Section C 39.- (1) Taxpayers engaged in commercial, industrial, handicraft, agropastoral or non-commercial activities whose annual turnover excluding tax does not exceed the following amounts shall be subject to comprehensive tax.

a. 50 000 000 (fifty million) CFA francs for commercial, industrial, handicraft or agropastoral activities

b. 30 000 000 (thirty million) CFA francs for liberal professions.

(2) Any overrun of the thresholds referred to in paragraph (1) above during the fiscal year shall result in the automatic reclassification of the taxpayer under the real tax regime.

However, a taxpayer subject to the real regime whose turnover falls below this threshold shall be maintained under the same regime for a probationary period of 2 (two) fiscal years. If, at the end of this period, his turnover remains below the threshold, he shall be reclassified under the comprehensive tax regime.

(3) Where the same taxpayer carries out multiple activities, only the turnover of activities eligible for comprehensive tax shall be taken into account for assessing the threshold referred to in paragraph (1).

DIVISION II: RATES

Section C 40.- (1) The comprehensive tax shall be assessed on the basis of annual turnover excluding taxes as follows:

Class	turnover Brackets (CFAF)	Amount Payable(CFAF)
1.	**Below 500 000**	**20 000**
2.	**Equal to or above 500 000 and below 1 million**	**30 000**
3.	**Equal to or above 1 million and below 1.5 million**	**40 000**
4.	**Equal to or above 1.5 million and below 2 million**	**50 000**
5.	**Equal to or above 2 million and below 2.5 million**	**60 000**
6.	**Equal to or above 2.5 million and below 5 million**	**150 000**
7.	**Equal to or above 5 million and below 10 million**	**3 00 000**
8.	**Equal to or above 10 million and below 20 million**	**5 00 000**
9.	**Equal to or above 20 million and below 30 million**	**1 000 000**
10.	**Equal to or above 30 million and below 50 million**	**2 000 000**

(2) For taxpayers liable for the comprehensive tax regime who are required to keep accounts, the comprehensive tax rates referred to in (1) above shall be reduced by half where they are registered in an approved management centre.

DIVISION III
DISCHARGE TAX DECLARATION AND ASSESSMENT

Section C 41.- (1) Any taxpayer subject to comprehensive tax shall be bound to file, against acknowledgement of receipt, no later than **15 April** of each year to the tax office of the place of taxation, using a form provided by the tax authorities, a detailed return of their income during the previous fiscal year. **The tax shall be paid in a single instalment at the time of filing of the said return.**

(2) Notwithstanding the provisions of paragraph (1) above, **the taxpayer may opt for quarterly instalments**. In this case, the tax shall be paid within fifteen (15) days of the end of each quarter, using an electronic filing method consistent with that indicated by the tax authorities.

(3) Any taxpayer that has several establishments within the territory of several taxation centres, must, in addition to filing quarterly lax returns with each of the taxation centres, submit a summary statement of turnover for each

(4) establishment to the taxation centre with jurisdiction over principal establishment.

(5) The annual summary statement shall be subject to adjustment, where necessary.

Section C 42.- (1) The comprehensive tax shall be paid per establishment where different activities are carried out by the same taxpayer.

(2) It shall be paid quarterly within 15 (fifteen) days of the end of each quarter by electronic means, in accordance with the model prescribed by the Administration.

DIVISION IV
OBLIGATIONS OF TAXPAYERS

Section C 43.- (1) Taxpayers liable for the comprehensive tax, even where exempted, shall be required to comply with the registration requirements set out in the Manual of Tax Procedures.

(2) Any taxpayer liable for the comprehensive tax must, on request. provide the competent authorities with evidence of tax compliance by presenting a valid tax clearance certificate.

Section C 44.- (1) Taxpayers subject to the comprehensive tax regime, with a turnover equal to or above 10 000 000 (ten million) CFA francs shall keep accounts in accordance with the minimum cash flow system provided for by the OHADA Uniform Act on

Accounting Law and Financial Information.

(2) The accounting elements provided for in paragraph (1) above shall be presented at the request of the tax authorities.

(3) The taxpayers referred to in paragraph (1) shall also be required to file a Statistical and Tax Return (STR) no later than 15 May of each year.

DIVISION V
PENALTIES

SECTION C 45: (1) Failure to pay comprehensive tax within the time limits specified above shall lead to closure of the business (es) and a penalty of 50% of the tax amount due, without prejudice to other penalties.

SECTION C 46.- (1) Failure to present a valid tax compliance certificate will result in the closure of the establishment. It shall also be punished with a tax fine of 25 000 (twenty-five thousand) CFA francs**.**

(2) However, for itinerant merchants and **professional** transporters, failure to justify tax compliance shall lead to the impounding of their non-perishable movable property or vehicle and at the municipal pound, in compliance with the relevant rules of procedure.

SECTION C 47.- (1) Failure by taxpayers liable for comprehensive tax to keep accounts shall result in closure of the business and a tax penalty of 1 (one) million CFAF.

SECTION C 48.- (1) where positive data indicate that a taxpayer liable for comprehensive tax has a turnover of more than 50 million CFAF, such taxpayer shall be liable for business licence tax and assessed based on actual earnings.

CHAPTER IV:
PROPERTY TAX
DIVISION I
SCOPE

SECTION C 49.- (1) Property tax shall be levied annually on built-on and non-built-on estates found in a council under the following conditions:

- for property on built-on estates that benefit from infrastructure and services such a road networks, asphalted roads, water, electricity, and telephone services;
- for property on non-built-on estates when they are located in headquarters of administrative units.

(2) Property tax shall also be applicable to land located in urban peripheries.

(3) Natural and legal persons who own built-on and non-built-on estates, including de facto owners, shall be liable for property tax.

(4) Where a building is rented under a long, building or rehabilitation lease, or subject to an authorization of temporary occupation of public land constituting a right in rem, the property tax shall be issued in the name of the long building or rehabilitation lessees, or authorization holder.

DIVISION II
EXEMPTIONS

SECTION C 50.- (1) The following properties shall be exempted from the property tax.:

- property belonging to the State, local authorities and public establishments which are not of an industrial or commercial nature.
- property belonging to public and private hospitals and schools;
- property belonging to denominational, cultural or charity organizations recognized as being in the public interest. where such property is used for non-profit purposes;
- industrial agricultural livestock and fishery enterprises regarding buildings used as factories, sheds or warehouses, excluding office buildings erected thereon;
- property belonging to international organizations which have signed headquarters agreements with Cameroon:

- property belonging to diplomatic missions subject for reciprocity;
- property belonging to clubs, approved sports associations or bodies, those used for sporting activities, as well as sports facilities;

(2) Land used exclusively for agricultural, livestock and/or fishing purposes exclusively shall also be exempted.

DIVISION III:

TAXABLE EVENT AND DUE DATE

SECTION C 51.- (1) Owners and de facto owners of built-on or non-built-on estates shall be liable for property tax.

(2) Property tax shall be due on the 1 January of each fiscal year. It shall be voluntarily settled no later than 30 June by the tax payer or trustee
thereof, or on the basis of a pre-filled return.

DIVISION IV:
BASIS OF ASSESSMENT

I- TAX BASE

SECTION G 52.- The basis of assessment of the property tax shall be the value of lands and buildings declared by the owner. The value per zone shall be fixed by a separate instrument.

In the event of failure to file returns or of reduction, the administrative value of the property fixed in accordance with the provisions of Section 546 (a) of this General Tax Code shall serve as the basis of assessment.

II- TAX RATES

SECTION C 53.- (1) The rate for property tax shall be 0.1 %.

(2) However, where the total value of a property, or all the properties held by the same taxpayer exceeds 500 000 000 (five hundred million) CFA francs, the tax shall be collected based on a progressive scale as follows:

- **from 500 000 000 to 1 000 000 000 CFA francs: 0.2%**
- **above 1 000 000 000 CFA francs: 0.3 %.**

DIVISION V:
PLACE OF ASSESSMENT AND PROCEDURE

SECTION C 54.- (1) Property tax returns shall be filed and the tax paid at the Taxation Centre under whose territory the property is located.

(2) However, companies under a specialized management unit shall file their tax returns and pay their taxes there.

DIVISION VI
MISCELLANEOUS PROVISIONS

SECTION C 55.- (1) Documents relating to mortgage, transfer of ownership or use of property shall be registered only upon proof of regular payment of the land tax on ownership.

(2) Any registration in the Land Registry shall be subject to presentation of a land tax payment receipt or a **tax compliance certificate** issued by the relevant taxation authority.

(3) Persons liable for or exempt from property tax shall be bound to deposit a duplicate of the land title deeds, building permits, building estimates and other–similar documents with the competent tax service within one month of their issuance.

(4) The services issuing the above documents shall be bound to send copies to the competent tax service within three months of their issuance.

(5) Where the above documents are drawn up in the name of an authority, the co-owners shall be jointly and severally liable for payment of the tax assessed in the name of their representative. The same procedure shall apply to joint ownership property.

Section C 56.- The procedure of assessment, control, collection and litigation, as well as the general obligations and sanctions applicable to the property tax are set out in the Manual of Tax Procedures.

CHAPTER V: PROPERTY TRANSFER TAX

Section C 57.- (1) A property transfer tax shall be introduced for the benefit of Councils as provided for in the General Tax Code anal applicable as follows:

a) At 10% interim rate.

- deeds and transfers of built-on urban property.

b) At 5% medium rate:

- deeds and transfers of non-built-on urban property and built-on rural property.

c) At 2% reduced rate:

- deeds end transfers of non-built-on urban property.

d) At 1% super reduced rate:

- notwithstanding the previsions of Article 344 of the General Tax Code, deeds and transfers of property to associations recognized as being of public utility and duly authorized religious bodies.

CHAPTER VI STAMP DUTY ON MOTOR VEHICLES

Section C 58.- Deleted and codified in Book I.

Section C 59.- Deleted and codified in Book I.

Section C 60.- Deleted and codified in Book I.

Section C 61.- Deleted and codified in Book I.

Section C 62.- Deleted and codified in Book I.

Section C 63.- Deleted and codified in Book I.

Section C 64.- Deleted and codified in Book I.

Section C 65.- (1) Deleted and codified in Book I.

Section C 66.- Deleted and codified in Book I.

Section C 67.- Deleted and codified in Book I.

Section C 68.- (1) Deleted and codified in Book I.

Section C.69.-(1) Deleted and codified in Book I.

Section C 70.- (1) Deleted and codified in Book I.

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CHAPTER VII ANNUAL FORESTRY ROYALTY

Section C 71.- Deleted and codified in Book I.

CHAPTER VIII ADVERTISING TAX

DIVISION I: GENERAL PROVISIONS

Section C 72.- The following shall be subject to the advertising tax:

- bills;
- tracts and leaflets;
- billboards;
- newspaper, radio, movie, television advertising and vehicles with loud
- speakers;
- free distribution for commercial purposes,
- any other material or non-material medium.

Section C 73.- (1) The following shall mean:

- **poster:** advertisement engravings or inscriptions on paper, protected or not, posted for a period of 6 (six) months in public places or places open to the public, with or without payment of a fee or visible from a public place or on vehicles and without signs;

- **leaflets and flyers:** documents distributed free of charge to the public in public places or places open to the public, with or without payment of a fee, and which are not purely technical notices,

- **billboards:** advertisement engravings and inscriptions, illuminated or not. other than posters installed in public places or places open to the public with or without payment of a fee, or visible from a public place or on vehicles and without signs.

DIVISION II
TARIFFS

Section C 74.- (1) Stamp duty shall be levied at a rate of 3% of the invoiced cost of advertising for each medium, whether locally printed or imported, with the exception of car advertising.

(2) For car advertising, stamp duty shall be fixed at 30 000 CFAF per month and per vehicle with PA system. This fee shall be 20 000 CFAF per month and per vehicle without PA system.

(3) For tobacco and alcoholic beverage advertising, including free distribution, stamp duty shall be levied at a rate of 15%.

(4) Illuminated plates and signs placed on commercial and industrial establishments for the purpose of locating them shall be excluded from payment of stamp duty an advertising.

DIVISION III:
COLLECTION METHOD

Section C 75.- Stamp duty on advertising shall be paid as follows:

(1) **Posters, leaflets and flyers:**

Payment of stamp duty on advertising by these media shall be deducted at source by companies in specialized management units and remitted to the relevant centre under the same conditions as other taxes, duties and fees.

Other advertisers shall declare and pay stamp duty on advertising to an advertising agency, which shall be required to repay the amount of duty collected within 15(fifteen) days of the month in which the advertisement duty was paid.

(a) **Posters, leaflets and flyers printed in Cameroon:** Printers of printed leaflets based and operating in Cameroon shall keep a register signed and initialed by the authority in charge of registration, in which they shall enter all printed posters and leaflets they have produced.

Posters, leaflets and flyers shall bear the name of the printer and their number in the Printing register corresponding to the stamp collected.

(b) **Posters, leaflets and flyers printed outside Cameroon:** Prior to importation, users of these documents shall declare their type and quantity to the Tax Centre of their domicile or registered office.

Payment shall be made in the month of entry a the posters, leaflets or flyers Cameroon at the Tax Centre that received the declaration prior to importation. Such documents shall not be used prior to the payment of the duties.

(a) **Billboards:** Companies and individuals in specialized management units that use billboards shall declare and pay stamp duty to their relevant tax centre under the same conditions as other taxes, duties and fees.

With the exception of the above-mentioned companies, other advertisers shall declare and pay the amount of stamp duty amount due to an advertising agency at the same time as the advertisement costs, with the latter being responsible for repaying the duties thus deducted within 15 (fifteen) days of the end of the previous month.

The above declaration shall mention:

(a) the purpose of the advertisement;

(b) the surname(s), first name(s), profession(s) or business name(s), domicile or registered office(s) of the person(s) or local authority(ies) for whose benefit the advertisement is being made, and where necessary, of the advertising contractor;

(c) the precise location of the billboard.

(3) Press advertisement

(a) **Newspaper printed in Cameroon:**

Publishers of newspapers printed in Cameroon shall collect the amount of stamp duty due at the same time as the price of the insertion, and remit it, on declaration to the relevant Tax Centre at the same time as the spontaneous payment taxes, the collections made during the previous month.

For companies under specialized management units, stamp duty on advertisement shall be deducted at source at the time of insertion.

Stamp duties thus withheld shall be declared to and paid by the relevant tax centre under the same conditions as spontaneous payment taxes.

(b) Newspapers published outside Cameroon but distributed in Cameroon:

The insertion of an advertisement in a newspaper published outside cameroon but distributed in Cameroon shall give rise to declaration and payment of stamp duty on the advertisernent at the time of payment of the advertisement costs corresponding to such insertion.

4) **Radio and television advertisement:**

Radio and television stations shall collect the stamp duty due together with advertisement costs. They shall refund such duty to the Tax Reporting Centre upon declaration at the same time as the spontaneous payment taxes, the amount collected during the previous month.

For campanies with specialized management units, stamp duties on advertisement shall be deducted at the source at the time of insertion.

- The duties thus deducted shall be declared and paid in to the relevant tax centre under the same conditions as other taxes, duties and fees.

  The declaration shall specify:
- the purpose of advertisernent;
- the full name, address and location of the beneficiary of the advertisement;
- the unit or inclusive cost and the number of insertions;
- the duration, date or period of the insertion.

Radio and television stations shall keep a register signed and initialled by the office in charge of registration for purposes of checking the advertisement. The register shall indicate dues deducted for each insertion as welI as references for payment receipts.

5) Advertisement through cinema:

Cinema hall operators shall collect the advertisement projection simultaneously with payable stamp duties.

They shall transfer such fees to the relevant Tax Centre upon declaration, simultaneously with the tax spontaneous payment and the amount collected during the previous month

For campanies with specialized management units, stamp duties on advertisement shall be deducted at source at the time of insertion.

The collected duties shall be declared and transferred to the relevant tax center under the same conditions as other taxes, duties and fees

This declaration shall specify:

- the purpose of the advertisement;
- the names, address and location of the beneficiary of the advertisement
- the unit or inclusive cost and the number of projections;
- the duration, date or period of projection,
- any contract between the parties.

Cinema hall operators shall keep a register signed and initialled by the registration office that shall indicate the various projections conducted, their cost, the amount of charges collected and their payment references.

6) Advertisement using vehicles whether or not equipped with a PA system. Before using a vehicle equipped with a PA system authorized for advertising, the owner of the said vehicle shall make a declaration thereof.

The tax office shall issue a receipt to be presented at every tax inspection. The declaration shall specify:

- the names, address and location of the owner of the vehicle;
- the characteristics of the vehicle and date of first registration in Cameroon;
- the vehicle registration number;
- the date the vehicle equipped with PA system was put into service.

The stamp duties on advertisement using vehicles equipped with PA system or not on the bodywork shaIl be paid upon declaration by the proprietor:

- during the month following the quarter during which the vehicle was used for that purpose;

- during the first month of each quarter for subsequent payments.

The declaration shall be made at the Taxation Centre of the domicile or Head Office of proprietors

7) Advertising via non-material media

For the collection of stamp duties for advertising via non-material media, advertisers shall make monthly declarations at the relevant taxation centre.

8) Free distribution during trade promotion

Stamp duties on advertisement shall be payable by companies during their free distributions at trade promotions. They shall be declared and transferred to their relevant taxation centre latest on the 15th of the month following the month during which distribution was carried out.

DIVISION IV
SANCTIONS

Section C 76.- (1) Any violation of the prescriptions relating to stamp duty on advertisement shall be punished with a fine and an additional fee, with a minimum amount equivalent to the applicable amount provided for the media concerned.

(2) The total absence of records or receipt as laid down in Article 592 of the General Tax Code shall be punished with a fine equal to 50 000 CFAF with a fee of 5 000 CFAF per day of delay until presentation of the register or receipt.

(3) Registers must be presented for approval, in the quarter following that during which they were advertised, under pain of a fine of 5 000 CFAF per approval.

(4) Each item in the register must include the references for payment of stamp duty on advertising, failing which the company shall be fined 2,000 CFAF per omitted reference.

Each poster, leaflet or flyer must bear the name of the printer and the serial number of the advertisement in its register, under pain of a fine of 2 000 CFAF per omission and per poster, leaflet or flyer.

(5) Any posters, leaflets or flyers found to be in breach of the law shall be seized on the basis of a report of the offence and destroyed within three months of their seizure, in the presence of a Commission whose setting up and functioning shall be laid down by regulation.

(6) Where a billposter is caught putting up posters in a public place or a place open to the public, he shall alone be liable for payment of the duties and penalties due.

CHAPTER IX
TOURIST TAX

Section C 77.- (1) Deleted and codified in Book I.

Section C 78.- (1) Deleted and codified in Book I.

Section C 79.-(1) Deleted and codified in Book I.

Section C 80.- (1) The procedure for controlling, collecting and disputing the tourist tax shall be laid down in the Manual of Tax Procedure.

CHAPTER X:
SPECIAL EXCISE TAX FOR THE FINANCING OF GARBAGE DISPOSAL AND TREATMENT

Section C 81.- (1) A special excise duty is instituted to finance the removal and treatment of waste for the benefit of Regional and Local Authorities, at a rate of 1% of the taxable base of all imported goods, with the exception of duty-free imports provided for in Article 276 of the Customs Code of the Economic and Monetary Community of Central Africa (CEMAC).

(2) The conditions for distributing the proceeds of this duty shall be laid down by regulation.

PART III:
ADDITIONAL COUNCIL TAXES

Section C 82.- (1) Additional council taxes are hereby instituted on the following taxes and duties for the benefit of councils:

- personal income tax;
- company tax:

- value added tax (VAT);
- excise duties;
- special income tax,
- public procurement registration fees.

(2) Tax revenue allocated to councils may be capped in the Finance Law, where necessary.

Section C 83.- (1) The rate of additional council taxes shall be 10% of the principal of the personal income tax, company tax and value added tax.:

(2) The rate of the additional council tax shall be 5% of the principal of excise duty, the special income tax and public procurement registration fees.

(3) Additional council taxes shall be calculated both on the principal and on the tax increases to which they apply and shall vary according to the tax base components.

(4) The assessment, issuance and collection as well as proceedings and claims relating to additional council taxes shall be the same as for the taxes and duties used as basis.

Section C 84.- Proceeds of additional council taxes shall be shared between the State and the body responsible for centralization and equalization, for redistribution

to all councils in accordance with the criteria to be defined by a separate instrument or any other body responsible for the centralization and equalization, and councils and city councils in accordance with the terms and conditions laid down by regulation.

Section C 85.- (1) The taxes levied as business licence tax and licence fees shall be increased by 3% on the principal by way of additional taxes for the benefit of consular chambers.

(2) The additional taxes paid in this respect by business or industrial

enterprises, with the exception of those specified below, shall accrue to the Chamber of Commerce, Industries, Mines and Handicrafts. The additional taxes paid by forestry and agricultural enterprise shall be transferred to the Chamber of Agriculture, Livestock and Forestry.

(3) They shall distinctly figure on business licenses and permits. They shall be collected together with the principal.

PART IV:
COUNCIL TAXES

CHAPTER I
LOCAL DEVELOPMENT TAX

Section C 86.- (1) A council tax known as the local development tax is established for the benefit of councils.

(2) This tax shall be collected for the basic facilities and services provides to the populations, notably street lighting, sanitation, refuse collection, ambulance services, drinking water supply, and electrification.

(3) Proceeds from the local development tax shall be devoted on a priority basis to the financing of the infrastructure referred to in paragraph (2) above.

a. **For public and private sector employees:**

- basic monthly salary ranging between 62000 and 75000 CFAF: 3000CFAF/ year;
- basic monthly salary ranging between 75001 and 100000 CFAF: 6000 CFAF/year;
- basic monthly salary ranging between 100001 and 125000 CFAF: 9000 CFAF/year;
- basic monthly salary ranging between 125001 and 150000 CFAF: 12000CFAF/year;
- basic salary ranging between 150001 and 200000CFAF: 15000 CFAF/year,
- basic monthly salary ranging between 200001 and 250000CFAF: 18000 CFAF/year;
- basic monthly salary ranging between 250001 and 300000 CFAF: 24,000 CFAF/year,
- basic monthly salary ranging between 300001 and 500000 CFAF: 27000 CFAF/year,

- basic monthly salary of more than 500000CFAF: 30000 CFAF/year.

b. For persons liable to the business license and **comprehensive tax.**

- principal tax equal to or less than 30000 CFAF: 7500 CFAF/year,
- principal tax ranging between 30001 and 60000CFAF: 9000 CFAF/year;
- principal tax ranging between 60001 and 100000CFAF: 15000 CFAF/year,
- principal tax ranging between 100001 and 150000 CFAF: 22500 CFAF/year,
- principal tax ranging between 150001 and 200000 CFAF: 30000 CFAF/year,
- principal tax ranging between 200,001 and 300,000 CFAF: 45000 CFAF/year,
- principal tax ranging between 300001 and 400000 CFAF: 60000 CFAF/year;
- principal tax ranging between 400001 and 500000CFAF: 75000 CFAF/year,
- principal tax of more than 500000 CFAF: 90000 CFAF/year.

Section C 87.- The local development tax shall be collected at the same time as the personal income tax, the comprehensive tax and the business licence tax.

Section C 88.- The assessment, issuance, collection, time limits, penalties, judicial proceedings and claims related to the local development tax shall comply with the procedure applicable to taxes and duties on the basis of which they are assessed.

CHAPTER II
LOCAL STAMP DUTY

Section C 89.- (1) A local stamp duty is hereby instituted.

(2) The local stamp duty shall be fixed at 500 CFAF. It shall apply to documents up to one A4 page in size, including:

- a copy or extract of civil status;
- legalization or material certification of signature or document;
- suppletive judgment
- power of attorney;
- invoices from service providers to regional and local authorities;
- any request submitted to the officials of regional and local authorities.

(3) Any document larger than the above basic size shall be liable for payment of a stamp duty of 1000 CFAF.

CHAPTER III
COUNCIL LEVIES *DIVISION*
DIVISION I
GENERAL PROVISIONS

Section C 90.- The municipal council may vote council levies for the council budget.

Section C 91.- Council levies shall comprise:

- the cattle slaughter tax;
- impoundment fees;
- market fees;
- building permit or layout fees;
- parking, parking lot and quay occupancy fees:
- council excise duty on polluting activities.

DIVISION II
CATTLE SLAUGHTER TAX

Section C 92.- The slaughter tax shall be paid by the butcher for livestock killed in slaughterhouses constructed or managed by council.

Section C 93.- The maximum rates of the slaughter tax shall be fixed as follows:

- bovine and equine livestock: 2500 CFAF per head;
- porcine livestock: 1500 CFAF per head;
- ovine and caprine livestock. 1000 CFAF per head;
- poultry and rabbits: 250 CFAF per head.

Section C 94.- (1) The slaughter tax shall be calculated and collected by State tax authorities.

(2) It shall be paid by the butcher prior to slaughter.

(3) In the event of fraudulent slaughter, the following penalties shall be imposed per head of stock killed, without prejudice to the penalties provided for by the regulations in force:

- 25000 CFAF for bovinc and equine Iivestock,
- 15000 CFAF for ovine and caprine livestock:
- 1000 CFAF for poultry and rabbits.

DIVISION III
IMPOUNDMENT FEES

Section C 95.- (1) Stray animals, vehicles and all unattended objects or in contravention of traffic regulations may be seized and impounded, from where they may be removed only on payment of impoundment fees.

(2) Such fees may be collected only insofar as the animals vehicles and other objects found on the public highway are effectively kept by the council.

Section C 96.- (1) (1) The rates of impoundment fees shall be fixed within the following maximum limits:

- hcavy livestock: from 20000 CFAF to 50000 CFAF per head and per day.
- small livestock: from 5000 CFAF l0 15000 CEAF per head and per day.
- pets: from 5000 CFAF to 10000 CFAF per head per day:
- heavy vehicles and machines: from 50000 CFAF to 100000 CFAF per vehicle per day:
- other vehicles: from 5000 CFAF to 25000 CFAF per vehicle per day:
- motorbikes: from 5000 CFAF to 20000 CFAF per motorbike per day.
- other objects from 2000 CFAF to 5000 CFAF per object and per day.

(2) impoundment fees shall be collected by the State tax authorities

(3) The council may auction the animals, vehicles or objects that have not been claimed following a notification 30 (thirty) days following impoundment, in accordance with the regulations in force. The proceeds of the auction shall also be collected by the State tax authorities.

DIVISION IV:
MARKET FEES

Section C 97.- (1) Market fees shall be collected from regular traders and occasional vendors occupying a place in any market within the jurisdiction of a council..

(2) The rates of such fees shall be fixed taking into account differences in standard of living, specialization of the markets concerned and distance from major supply centres. Market fees must be the same for all traders, whether or not resident in the locality, and any differences in rates shall be based solely on the area occupied.

Section C 98.- (1) The municipal council shall set the fixed monthly fees applicable to permanent shops or stands built in markets.:

(2) Shops or stands may be allocated by competitive bidding or direct negotiation.

Section C 99.- (1) A contract must be signed between the permanent shop or stand occupant and the council. The contract must include the following information:

- tenant identity.
- occupant's unique identification number;
- market location(town, neighbourhood and locality);
- cadastral reference of market;
- shop number,
- surface area of premises;
- amount of monthly fee;
- lease duration;
- business type.

(2) Subletting shall be strictly forbidden. It shall be punishable by a penally of 200% (two hundred percent) of the fees due without prejudice to administrative

Section C 100.- (1) The rental rates for council shops in market spaces shall be fixed as follows:

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N°	Range of surface areas occupied by council shops	From 18.01 m² to 20 m² Range of monthly rents for council shops
1	Up to 4 m²	From 5000 CFAF to 10000 CFAF per month
2	From 4,01 m^2 to 6 m^2	From 10001 CFAF to 15000 CFAF per month
3	From 6,01 m^2 to 8 m^2	From 15001 CFAF to 20000 CFAF per month
4	From 8,01 m^2 to 10 m^2	From 20001 CFAF to 25000 CFAF per month
5	From 10,01 m^2 to 12 m^2	From 25001 CFAF to 30000 CFAF per month
6	From 12,01 m^2 to 14 m^2	From 30001 CFAF to 35000 CFAF per month
7	From 14,01 m^2 to 16 m^2	From 35001 CFAF to 40000 CFAF per month
8	From16,01 m^2 to18 m^2	From 40001 CFAF to 45000 CFAF per month
9	From 18,01 m^2 to 20 m^2	From 45001 CFAF to 50000 CFAF per month
10	From 20,01 m^2 to 22 m^2	From 50001 CFAF to 55000 CFAF per month
11	From22,01 m^2 to 24 m^2	From 55001 CFAF to 60000 CFAF per month
12	From 24 m^2	From 60001 CFAF to 70000 CFAF per month

(2) Failure to pay a term of shop rent after 15 days' notice will result in the shop being sealed, in accordance with the regulations in force.

(3) The seals may be removed only upon payment of a penalty of 5 000 CFAF in addition to the sums owed.

(4) Notwithstanding the provisions of paragraph (1) above, the Municipal Council shall be authorized to adjust the rates applicable to commercial space in order to take into account the actual commercial rental prices in the council area.

However, the amount of the rent thus established by the Municipal Council may not exceed twice the maximum amount provided for the corresponding occupied surface area, as set out in paragraph (1) above.

Section C 101. (1) The sale of goods on pavements and other public spaces, outside market places, shall be prohibited.

(2) Where the competent council establishes the occupation of pavements and other public spaces, the goods shall be impounded.

Section C 102.- Rents of market spaces shall be calculated and collected by State tax authorities.

DIVISION V: BUILDING PERMIT OR LAYOUT FEES

Section C 103.- Building permit or layout fees shall be levied on all buildings constructed in the council headquarters or in suburbs forming part of an approved town plan.

Section C 104.- (1) The rate of building permit or layout fees voted by the municipal council for the budget shall be fixed at 1% of the value of the building.

(2) It shall apply to major renovation works as well as new buildings.

(3) The amount of the fees shall be based on an estimate approved by the technical services of the council or where applicable, those acting in lieu thereof**.**

Section C 105.- (1) Any execution of work without prior payment of fees shall render the builder liable for a penalty equal to thirty percent (30%) of the fees due.

The penalty shall be paid to the council. It shall not exempt the offending party from payment of the main building permit taxes.

(2) Failure to obtain the building or layout permit shall not lead to demolition of the building, save in the cases referred to in Section 125 of Law No. 2004 of 21 April 2004 governing town planning in Cameroon.

Section C 106.- The building permit tax shall be collected by the tax authorities. Issuance of the building permit shall be subject to payment of the tax.

DIVISION VI
PARKING SPACE, PARKING LOT AND DOCK OCCUPANCY FEES

Section C 107.- (1) The following parking lot, parking area and quay occupancy fees may be levied on private or commercial vehicles for the benefit of the council budget:

- parking spaces constructed and marked by the council;
- parking lots;
- bus stations, loading or off-loading docks.

(2) Parking lots provided for government services shall not be liable for parking space, parking lot or dock occupation fees.

(3) Administrative vehicles, ambulances and law enforcement vehicles with army, gendarmerie and national security plates shall also be exempt from parking space, parking lot and dock occupancy fees.

Section C.108.- (1) The rates of fees shall be fixed as follows:

(a) parking fees:

- 100 CFAF per hour;
- 500 CFAF per day and per parking space;
- 15000 CFAF per month and per parking space.

(b) parking lots:

- cars and vans: 1000 CFAF per day;
- trucks and buses: 2000 CFAF per hour;

(c) bus stations and landing stages:

- bus station: 250 CFAF per loading;
- landing stages:
  - non-motorized boats: 200 CFAF per loading;
  - motorized boats with less than 10 seats: 500 CFAF per loading;
  - motorized boats with more than 10 seats: 1000 CFAF per loading.

Section C.109.- (1) The above fees shall be paid in advance to State tax authorities on behalf of the council that built the facility, against an electronic receipt.

(2) Quay tickets in particular shall be paid exclusively to the council where loading takes place.

Section C 110.- Failure to pay the above mentioned fees shall entail payment of a fine of 100% of the amount of the principal due.

DIVISION VII
COUNCIL EXCISE DUTIES ON POLLUTING ACTIVITIES

Section C 111.- A council excise duty is to be instituted for councils for the following polluting activities:

- livestock transit and transhumance from neighbouring countries;
- transportation of quarry products;
- harvesting of products from non-council and non-community forests;
- any activity likely to degrade public roads and/or pavements.

Section C 112.- (1) The rates of council excise duties shall be as follows:

A. Transit and transhumance

(2) Transit fees shall be as follows:

- bovine and equine livestock: 1000 CFAF to 2000 CFAF per head and per council;
- ovine and caprine livestock: between 500 CFAF to 1000 CFAF per head and per council;
- poultry and rabbits: 250 CFAF to 500 CFAF per head and per council.

(3) Where the herds in transit stay for more than 15 days on the territory of the same council, they shall, save in case of force majeure, be considered to be on transhumance therein with effect from the 16th day.

(4) Transit tax rates shall be fixed as follows:

- bovine and equine livestock: 1000 FCFA to 2000 FCFA per council and per
- ovine and caprine livestock: 500 FCFA to 1000 FCFA per head and per council;
- poultry and rabbits: 250 FCFA to 500 FCFA per head and per council.

B. Transportation of quarry products

Rates for the transportation of quarry products shall be as follows:

- vehicles of less than 6 tonnes: 1000 FCFA per truck and per trip;
- vehicles of 6 to 10 tonnes 2000 FCFA per truck and per trip;
- vehicles of more than 10 tonnes: 3000 FCFA per truck and per trip.

C. Collection of products

The fee for the collection of products from non-council forests shall be 2000 CFAF per m³ and paid by the owner of the products collected.

D. Damage of public roads and/or pavements

(5) The public road and/or pavement damage fee shall be payable by concession holders and other contractors carrying out work on public roads, and by operators of machines not fitted with pneumatic tyres, where such work and the movement of such machines cause damage to the road and/or pavement.

(6) The rates for the damage of public roads and pavements shall be as follows:

(a) earthworks, piping and other damage:

- asphalt gravel road: 90000 CFAF to 200000 CFAF per m²;
- biturmen-coated road: 45000 CFAF to 100000 CFAF per m²;
- earth road: 15000 CFAF to 50000 CFAF per m²;
- pavement: 15000 CFAF to 50000 CFAF per m².

(b) Damage caused by tracked machines:

- bitumen-coated road. 50000 CFAF to 100000 CFAF per m²;
- earth road: 20000 CFAF to 50000 CFAF per m²;
- pavement: 20000 CFAF to 50000 CFAF per m².

(7) Offences responsible for the execution of piping or earthworks and the movement of the machincs referred to in (1) above without the prior authorization of the council shall be liable for a fine of 100% (one hundred per cent) of the principal amount due, without prejudice to the penalties provided for by the laws and regulations in force.

Section C 113.- Excise duties on polluting activities shall be collected by the State tax authorities, with the assistance of represcntatives of traditional authoritlies and decentralized State services, where necessary.

PART V: SPECIAL PROVISIONS APPLICABLE TO COUNCILS AND CITY COUNCILS

CHAPTER ~~I~~ CONDITIONS FOR THE ALLOCATION OF COUNCIL TAXES

DIVISION I PROPERTY TAX

Section C 114.- (1) Eighty percent (80%) of the proceeds of property tax shall be allocated to councils in accordance with the provisions of Book 1 of the General Tax Code.

(2) The share of property transfer fees payable to councils shall be broken down as follows:

- 80% as withholding tax payable to the council.
- 20% as the balance centralized by the body responsible for centralization and equalization within the framework of inter-council cooperation.

DIVISION II REAL ESTATE TRANSFER FEES

Section C 115.-(1) Eighty pcrcent (80%) of the proceeds of the property transfer fees provided for
for in Book 1 of the General Tax Code shall be paid to councils.

(2) The share of property transfer fees payable to councils shall be broken down as follows:

- 80% as deduction at source for the council;
- 20% as the balance centralized by the body responsible for centralization and equalization within the framework of inter-council cooperation.

DIVISION III FORESTRY ROYALTY

Section C 116.-(1) A share of the proceeds of forestry royalties shall be paid to councils.

(2) The share provided for in (1) above shall be fixed by the Finance Law.

(3) The share of annual forestry royalties shall be broken down as follows:

- 50% as deduction at source for the council;
- 50% as the balance centralized by the body responsible for the centralization and equalization of the proceeds of taxes, duties and levies paid to councils.

(4) The centralized balance of the annual forest royalty shall be distributed to all councils, according to the conditions laid down by regulation.

DIVISION IV STAMP DUTY ON ADVERTISING

Section C 117.- (1) Twenty percent (20%) of the proceeds of the stamp duty on advertising referred to in Section 592 of the General Tax Code shall be paid to councils follows:

(2) The share referred to in (1) above shall be broken down as follows:

- 50% as deduction at source for the council;
- - 50% as the balance centralized by the body responsible for the centralization and equalization of proceeds of taxes, duties and royalties due to councils.

DIVISION V STAMP DUTY ON VEHICLES

Section C 118.- Proceeds of the stamp duty on vehicles provided for in Book 1 of the General Tax Code shall be allocated in full to the body in charge of centralization and equalization, for redistribution to councils.

DIVISION VI TOURIST TAX

Section C 119.- Twenty percent (20%) of the proceeds of tourist tax shall be allocated to the council of the place where the facility is located.

DIVISION VII
COMPREHENSIVE TAX

Section C 119 a.- (1) A share of 80% (eighty) of the proceeds of comprehensive tax shall be allocated to councils.

(2) The share of the comprehensive tax allocated to councils shall be distributed as follows:

- 80% (eighty per cent) in respect of the deduction basis to the council of the locality;
- 20% (twenty percent) in respect of the balance to the entity responsible for centralization and equalization.

CHAPTER II:
DISTRIBUTION OF TAXES AND DUTIES BETWEEN CITY COUNCILS AND SUBDIVISIONAL COUNCILS

Section C 120.- City councils and subdivisional councils shall receive the same revenue as councils, subject to the provisions of Section C 101 below.

Section C 121.- (1) The fiscal revenues of the city council shall comprise:

- proceeds of business licence tax and licence fees;
- proceeds of additional council taxes;
- proceeds of vehicle stamp duty derived from equalization;
- proceeds of the local development tax;
- proceeds of parking, parking lot and quay occupancy fees;
- proceeds of the rental of spaces developed in city council markets;
- proceeds of subdivisional council impoundment fees;
- proceeds of building permit and layout fees;
- proceeds of local stamp duty paid to city councils;
- excise duty on damage to public roads and/or pavements, or infrastructure falling within the remit of the city council.

(2) The tax revenue of subdivisional councils shall include:

- proceeds of the simplified comprehensive tax;
- proceeds of local stamp duty paid to sub divisional councils;
- proceeds of additional council taxes;
- proceeds of forest royalties derived from equalization;
- proceeds of tax on quarrying;
- excise duty on damage to public roads and/or pavements, or infrastructure falling within the remit of the city council;
- proceeds of cattle slaughter fees;
- proceeds of the rental of spaces developed in subdivisional council markets;
- proceeds of parking, parking lot and quay occupancy fees
- proceeds of subdivisional council impoundment fees;
- proceeds of fees on the transportation of quarry products;
- proceeds of the transit or transhumance fee.

(3) The tax revenue shared between the city council and the subdivisional council shall include:

- proceeds of property tax, at the rate of:
  - ❖ 40% for the city council
  - ❖ 40% for the subdivisional council;
  - ❖ 20% for the body responsible for centralization and equalization.
- proceeds of property transfer fees, at the rate of:
  - ❖ 40% for the city council;
  - ❖ 40% for the subdivisional council;
  - ❖ 20% for the body responsible for centralization and equalization.
- the revenue from tourist tax as follows:
  - 50% (fifty percent) for the city council;
  - 50% (fifty percent) for the subdivisional council.

CHAPTER III
INTER-COUNCIL AND EQUALIZATION TAX REVENUE

Section C 122.- (1) Twenty percent (20%) of the procceds of the following council taxes shall be deducted and allocated to the body responsible for centralization and equalization for redistribution among all councils, in accordance with the criteria to be defined by a separate instrument or to any other body responsible for centralization, to finance council, city council and council union projects:

- proceeds of additional council taxes:
- proceeds of business licence taxes;
- proceeds of license fees;
- proceeds of property tax;
- **Proceeds from comprehensive tax.**

(2) Proceeds of the following local taxes shall be centralized and redistributed to all councils and city councils as equalization:

- the share of stamp duty on advertising allocated to councils;
- 42% of additional council taxes;
- 50% of the share of annual forest royalties allocated to councils;
- 100% of automobile stamp duty;
- 100% of the local development tax paid by public and semi-public sector employees, as well as by companies under the body responsible for the management of "large enterprises".

Section C 123.- (1) A share of the proceeds referred to in Section C101 shall be redistributed to councils and city councils in accordance with the criteria and conditions laid down by regulation.

(2) Council unions and other council groupings may receive financial assistance from the abovementioned body, under the same conditions as councils.

PART VI
REGIONAL TAXES AND LEVIES

CHAPTER I
GENERAL PROVISIONS

Section C 124.- (1) Proceeds of the following taxes, duties and royalties shall be paid to the regions:

- a share of the transferable balance of oil and gas royalties:
- a share of mining royalty
- a share of the special tax on petroleum products,
- a share of the resources of the Sustainable Development Fund for the Financing of Water and Sanitation Projects,
- **a share of** airport stamp duty (ASD);
- **a share of** stamp duty on vehicle certificates;
- a share of radio frequency usage fees;
- stamp duty on vehicle registration certificates;
- a share of the resources derived from the annual gaming fee.
- the local stamp duty paid to the region.

(2) The tax revenue allocated to the regions may be capped in the Finance Law, as and when necessary.

CHAPTER II
OIL AND GAS ROYALTY

Section C 125.- (1) Without prejudice to the provisions of Law N° 2019/008 of 25 April 2019 to institute the Petroleum Code and Law No. 2012/06 of 19 April 2012 to institute the Gas Code, a share of the transferable balance of oil and gas royalties shall be paid to the regions.

(2) The regional share of the oil and gas royalties referred to in (1) above shall be collected by the body responsible for the centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution, in accordance with criteria to be laid down in a separate instrument.

CHAPTER III
MINING ROYALTIES

Section C 126.- A share of the proceeds of the ad valorem tax on mineral substances provided for in Book 1 of the General Tax Code shall be granted in full to the body responsible for the centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with the criteria to be defined by a separate instrument.

CHAPTER IV
SPECIAL TAX ON PETROLEUM PRODUCTS

Section C 127.- (1) A share of the special tax on petroleum products provided for in Book I of the General Tax Code shall be allocated to regions, in accordance with the annual ceiling set by the Finance Law.

(2) The regional share of the proceeds of the special tax on petroleum products referred to in (1) shall be granted in full to the body responsible for centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with criteria to be laid down in a separate instrument.

(3) The fee for collection of surface or groundwater shall be declared and paid by the persons liable, through the tax authority IT platform, within fifteen (15) days of the end of each quarter. The declaration shall recap the volume of water collected over the corresponding period.

(4) The sanitation tax on the discharge of industrial wastewater shall be declared and paid by the persons liable, through the tax authority IT platform, within fifteen (15) days of the end of each quarter. The declaration shall recap the quantity of wastewater discharged over the corresponding period.

CHAPTER V
PROCEEDS OF THE SUSTAINABLE DEVELOPMENT FUND FOR WATER AND SANITATION PROJECTS

Section C 128.-(1) Notwithstanding the provisions of Law No. 98/005 of 14 April 1998 on the water regime, a share of the resources of the Fund for the financing of sustainable water and sanitation development projects shall be allocated to the Regions.

(2) The resources of the Fund provided for in (1) above shall be collected by State tax authorities and granted in full to the body responsible for centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with the criteria to be defined by a separate instrument.

CHAPTER VI
AIRPORT STAMP DUTY

Section C 129.- The proceeds from airport stamp duty, as provided for in Book I of the General Tax Code, shall be allocated as follows:

- 90% (ninety percent) to the entity responsible for centralization and equalization in respect of inter-municipal and inter-regional relations, with a view to its distribution among all the Regions, in accordance with the procedures provided for by a separate instrument;
- 10% (ten percent) to the Solidarity Fund for the International Drug Purchase Facility (IDPF), to finance air navigation equipment and meteorological services infrastructure.

CHAPTER VII
STAMP DUTY ON THE VEHICLE REGISTRATION CERTIFICATE

Section C 130.- Fifty percent (50%) of the proceeds of the stamp duty on vehicle registration certificates provided for in Book I of the General Tax Code shall be granted to the body responsible for Centralization and equalization within the framework of the mutual council and regional support arrangements, for redistribution among all the regions, in accordance with the criteria to be defined by a separate instrument.

CHAPTER VIII
RADIO FREQUENCY FEES

Section C 131.-(1) Notwithstanding the provisions of Law No. 2010/013 of 21 December 2010 on electronic communications, as amended and supplemented by Law No. 2015/006 of 20 April 2015, 60% of the proceeds from radio frequency fees shall be allocated to the Regions.

(2) The fees provided for in (1) above shall be collected by the tax administration.

(3) Radio frequency fees shall be declared and paid by the persons liable, through the tax authority IT platform, in four equal amount instalments amount as follows:

- no later than 15 March for the first tranche;
- no later than 15 June for the second tranche;
- no later than 15 September for the third tranche;
- no later than 15 December for the fourth tranche.

(4) The four equal amount quarterly instalments to be paid by the persons liable shall be determined based on the invoices issued by the regulator for the previous fiscal year (n-1).

CHAPTER IX
TAX ON GAMES OF CHANCE

Section C 132.- (1) Notwithstanding the provisions of Law No. 2015/012 of 16 July 2015 to lay down rules governing games of chance and entertainment, a share of the proceeds from the tax on games of chance shall be allocated to the regions.

(2) The tax provided for in paragraph (1) above shall be collected **solely** by the tax authorities.

(3) The proceeds from the tax provided for in paragraph (1) above shall be allocated in full to the entity in charge of centralisation and equalization in respect **of equalization** and inter-regionality, for redistribution to all the Regions in accordance with the procedures set out by a separate instrument.

(4) The tax on games of chance shall be declared and paid by the persons liable, through the tax authority IT platform, within 15 (fifteen) days of the close of each quarter. The declaration shall recap the turnover during the corresponding period.

PART VII
CONDITIONS FOR ALLOCATION AND DISTRIBUTION
CHAPTER I
RESOURCES ALLOCATED DIRECTLY TO REGIONS

Section C 133.- The following taxes and duties shall be allocated directly to regions under the following conditions:

- 100% of proceeds of stamp duty on vehicle registration certificates;
- 20% of proceeds of the share of oil, gas and mining royalties for the benefit of neighbouring regions, as a basic withholding amount.

CHAPTER II
INTER-REGIONAL COOPERATION AND EQUALIZATION TAX REVENUE

Section C 134.- (1) Thirty percent (30%) of proceeds of the following taxes of regional and local authorities shall be deducted and granted to the body in charge of centralization and equalizalion within the framework of inter-council and inter-regional cooperation for the financing of regional projects:

- proceeds of the oil and gas royalties allocated to regions,
- proceeds of the mining tax allocated to regions,
- proceeds of the special tax on petroleum products allocated to regions
- proceeds of the Sustainable Development Fund for water and

sanitation projects allocated to regions;
- proceeds of airport stamp duty;
- proceeds of radio frequcncy usage fees allocated to regions;
- proceeds of the annual gaming fee.

(2) The following procecds of local taxeş shall be centralized and redistributed to all regions for equalization purposes:
- 50% of proceeds of oil, gas and miníng royalties allocated to regions.
- 70% of proceeds of the Special Sustainable Development Fund for Water and Sanitation Projects
- 70% of proceeds of the annual gaming and entertainment fee;
- 70% of proceeds of airport stamp duty.
- 70% of proceeds of the share of the special tax on petroleum products allocated to regions,
- 70% of proceeds of the share of the radio frequency usage fee allocated to regions.

PART VIlI
TAX PROCEDURES SPECIFIC TO LOCAL TAXES
CHAPTERI
GENERAL PROVISIONS

Section C 135.- The provisions of the Manual of Tax Procedures of the General Tax Code shall apply, mutatis mutandis, to the taxes, duties and levies of regional and local authorities, subject to the specificities provided for in the said Code.

SECTION C 136.- The issuance and collection of local taxes shall not be subject to concession, under pain of nullity.

CHAPTER II:
OBLIGATIONS OF TAXPAYERS

I-PRE-REGISTRATION OBLIGATION

Section C 137.- Any natural or legal person liable to pay a local tax shall be required to file for pre-registration under the conditions laid down in Book I of the General Tax Code.

II-OBLIGATION TO FILE RETURNS

Section C 138.- (1) Local tax, additional council tax and royalty returns for regional and local authorities shall be filed in due time and form under the law.

(2) Any taxpayer liable for council taxes who fails to file a return in due time under this law shall be reminded to do so in due time and form as per the Manual of Tax Procedures of the General Tax Code.

CHAPTER III
ISSUANCE OF LOCAL TAXES

Section C 139.- (1) Local taxes shall be subject to prior issuance of a notice of assessment or a notice of collection, as the case may be.

(2) Without prejudice to the provisions of (1) above, the taxation services of the State may, based on information at their disposal, send a pre-filled return to any taxpayer liable for council taxes, duties, levies and royalties, in accordance with the procedures provided for in the Manual of Tax Procedures.

CHAPTER IV
COLLECTION OF LOCAL TAXES

1-PAYMENT OF TAXES

Section C 140.- (1) Council taxes shall be paid voluntarily by taxpayers in the same manner as State taxes.

(2) The proceeds of local taxes, duties, levies and royalties levied and collected by public taxation services shall be distributed and transferred by the relevant services of the Treasury.

(3) Local taxation centres and individual taxpayers shall be bound to provide the RLAs of their jurisdiction and the body responsible for the centralization and equalization of inter-council and inter-regional cooperation with information and data on local taxes, duties, levies and royalties at intervals, in accordance with the procedures laid down in a separate instrument, in particular forecasts and actual amounts of issues and collection of all the revenue earmarked for them.

Section C 141.- (1) Any person liable to pay a local tax must do so in the tax revenue office in due time and form under the law.

(2) Payment of local taxes shall be made by electronic means, telepayment, bank transfer or in cash at authorized financial institutions.

(3) Payment receipts shall be generated electronically.

(4) The conditions for ordering, receiving and managing local tax values shall be laid down by law.

DIVISION II
CONTROL

Section C 142.- Local taxes shall be controlled by the relevant State services, under the conditions provided for in the Manual of Tax Procedures. However, some control operations may be organized jointly by the relevant State and RLA services.as scheduled jointly.

DIVISION III
FORCED RECOVERY

Section C 143.- Failure to pay local taxes in due time shall lead to forced recovery, in accordance with the Manual of Tax Procedures of the General Tax Code, unless otherwise provided for under special provisions of this law.

DIVISION IV
PRESCRIPTION

Section C 144.- (1) The amounts owed by taxpayers as local taxes, duties, levies and royalties shall be time-barred after a period of 4 (four) years beyond due date where no other decision predates the limitation deadline.

(2) However, the limitation deadline provided for in (1) above shall be 2 (two) years for council royalties.

(3) Limitation shall be granted to regional and local authorities against any application for the refund of the amounts paid beyond a period of 2 (two) years from the date of payment of taxes, duties, levies and royalties.

CHAPTER V

LOCAL TAX DISPUTES

I- CONTENTIOUS JURISDICTION

Section C 145.- (1) Local tax disputes shall be governed by the rules and procedures laid down in the Manual of Tax Procedures of the General Tax Code.

II-NON-CONTENTIOUS JURISDICTION

Section C 146.- (1) Non-contentious jurisdiction shall be governed by the rules and procedures laid down in the Manual of Tax Procedures of the General Tax Code.

CHAPTER VI
PENALTIES

Section C 147.- Failure to pay local taxes in due time and form under the law shall lead to application of the penalties provided by the Manual of Tax Procedures of the General Tax Code, unless otherwise specifically provided herein.

PART IX
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section C 148.- (1) The Cornmon Decentralization Fund (DGD) referred to in Section 25 of Law No. 2019/024 of 24 December 2019 to institute thc General Code of Regional and Local Authorities refers to the resources transferred to regional and local authorities as budgetary allocations for the partial financing of decentralization

Tax transfers to regional and local authorities forming part of their own internal tax system shall be excluded from the Common Decentralization Fund referred to in (1) above.

Section C 149.- (1) The share of State revenue allocated to the aforementioned Common Decentralization Fund shall be calculated on the basis of the cash-based budget revenue of the general State budget, net of VAT Credit refunds.

(2) The budget revenue referred to in (1) above shall comprise tax revenue, customs revenue and non-tax revenue, including oil and gas revenue.

(3) Loans and grants, as well as suspense receipts and earmarked revenue, shall be excluded from the calculation of the portion of the State revenue referred to in (1) above.

Section C 150.- (1) To ensure control of the tax base, legal and physical surveys of plots, buildings, occupants, and related activities shall be conducted in conjunction with local councils, sector government services and bodies, and the tax administration, using a map.

(2) Such operations, also known as "cadastral surveys", shall be organized in accordance with the conditions laid down, by law.

Section C 151.- This law, which repeals the provisions of Law No. 2009/019 of 15 December 2009 relating to local taxation, shall be transposed into the General Tax Code and the implemented progressively.

Section C 152.- This law shall be registered published according to the procedure of urgency and inserted in the Official Gazette in English and French. /-

PAUL BIYA

PRESIDENT OF THE REPUBLIC, (é)

NOTES PERSONNELLES

APPENDIX I:
LEGISLATIVE PART

LAW N° 77/10 OF 13 JULY 1977 TO INSTITUTE A HOUSING FUND TAX AMEND AND SUPPLEMENT LAW NO 77– 27 OF 6 DECEMBER 1977, LAW NO 90–50 OF 19 DECEMBER 1990

THE NATIONAL ASSEMBLY DELIBERATED AND ADOPTED;

THE PRESIDENT OF THE REPUBLIC ENACTS THE LAW SET OUT BELOW:

Section 1 (New law No 90–50 of 19 December 1990).- This Law institutes taxes on wages paid out to be known as the Housing Loans Fund Tax and the Employment Fund Tax.

Section 2 (New Law No 90-50 of 19 December 1990).- (1) The proceeds from the Housing Loans Fund Tax, shall serve as a source of revenue for the Housing Loans Fund, the purpose of which is to give financial assistance to housing development projects.

(2) The proceeds from employment Fund Tax shall serve as a source of revenue, for the National Employment Fund, the purpose of which is to promote employment in Cameroon.

Section 3 (New Law No 90-50 of 19 December 1990).- (1) All wage-earners and employers in both the public and private sectors shall be subject to Housing Loans Fund, and the Housing Loans Fund Tax.

(2) All employers in public, semi-public and private sectors shall be liable to the Employment Fund Tax.

(3) Notwithstand the provisions of subsections 1 and 2 above, the following shall be exempted from the tax paid by employers to National Employment Fund:

- the State;
- councils;
- the Chamber of Commerce and Industry and the Chamber of Agriculture;
- the Diplomatic and Consular Missions;
- non-profit-making Associations and Bodies;
- and subject to conditions to be determined by decree;
- individual farmers and livestock breeders;
- private educational institutions;
- denominational hospital establishments;
- professional and lay social welfare institutions.

Section 4 (New Law No 77-27 of 6 December 1977).- The tax shall be levied as follows:

- as regards wage-earners, on the gross amount which serves as the basis for calculating the proportional tax; as regards employers, on the amount of wages, allowances, and perquisites as well as the real value of the benefits in kind in the form of housing, domestic servants, water, electricity, and
- food, paid or granted to their personnel.

Section 5 (New Law No 77-27 of

6 December 1977).- The following shall not be taxed:

- family allowances;
- pensions and life annuities;
- the wages of domestic servants;
- workers earning low wages under conditions to be fixed by decree.

Section 6 (New Law No 90-50 of 19 December 1990).- (1) The rate of the Housing Fund Tax shall be fixed at 1% for wage-earners, and at 1,5% for employers.

(2) The rate of the Employment Fund Tax shall be fixed at 1%.

(3) The amount on which the tax is levied shall be rounded to the nearest thousand francs below.

Section 7 (New Law No 90-50 of 19 December 1990).- (1) The tax paid by wage-earners to the Cameroon Housing Loans Fund shall be deducted at source by the employer and paid into the treasury, concurrently with the taxpaid to the National Employment Fund, within 20 (twenty) days from the end of the month for which the wages were paid.

Section 8 (New Law No 90-50 of 19 December 1990).- (1) Taxes payable to the Cameroon Housing Fund, and National Employment Fund, shall be assessed on the basis of a return made by the employer on forms supplied by the Government. Such forms may be obtained from the Treasury accountant or from the Tax Inspectorate.

(2) The returns must contain the following information:

- full name or the firm's name;
- address;
- period of assessment;
- total gross amount of wages paid;
- amount of tax paid by the employer to Housing Loans Fund;
- amount of tax paid by wage-earners and deducted at source;
- amount of tax paid by the employer to National Employment Fund. The returns, which shall be attached to the receipts showing payment made, must be certified, dated and signed by the taxpayer or his authorized representative.

Section 9 (New Law No 90-50 of 19 December 1990).- Any natural person or corporate body liable, as an employer, to the Cameroon Housing Fund and the National Employment Fund Taxes shall be bound to submit to the Tax-Inspector each year, within the time-limit allowed for the return of trading results, a statement showing the monthly or quarterly amount, as the case may be, of:

- wages paid;
- the amount of the tax paid by wage-earners and deducted at source;
- the amount of the tax paid by employers to the Housing Loans Fund and the National Employment Fund;
- the date and the numbers of the receipts for each payment made.

Section 10 (New Law No 90-50 of 19 December 1990).- (1) Any person failing to make the said return within the time-limit prescribed in Section 9 above shall be punished with a fiscal fine of 10, 000 francs.

(2) Any tax payable by employers to the Cameroon Housing Loans Fund and the National Employment Fund, and not paid up within the timelimit provided for by Section 7 of the present law shall be subject to interest at the rate of 1% per month or fraction of month as per delay in payment.

Section 11.-Any person making inadequate returns shall be liable to the following penalties:

i- Where the good faith, of the taxpayer is presumed or established, interest for delayed payment at the rate of 1% shall be charged on any sum in arrears.

ii- Where good faith is neither presumed nor established, the amount of the taxes in question shall be increased by 50%. They may be doubled in the case of fraudulent operations.

Section 12.- (1) Failure to pay the sums deducted from the wages of employees, shall be punished by the payment of penalty of 25% and of interest for delayed payment at the rate of 10% per month, subject to a minimum of 1, 000 francs and a maximum equal to 100% of the amount of the deductions.

2) As regards the tax payable by employers, only the 25% penalty shall apply.

Section 13.-Any taxpayer who, after receiving formal notice, does not produce the return within thirty days, shall be subject to arbitrary assessment and the amount due shall be increased by 50%. They may be doubled if the taxpayer cannot establish his good faith.

Section 14 (New Law No 90-50 of 19 December 1990).- In the event penalization and where the taxpayer established his good faith, the Director of Taxation shall have the power to effect a compromise where the amount of the penalty is less than 5, 000, 000 (five million) francs. For any amount above this sum, only the Minister in charge of Finance shall have competence to decide.

Section 15 (New Law No 90-50 of 19 December 1990).- (1) The rules concerning to make deductions, and the transfer or discontinuance of an undertaking shall be those applicable to DIPE in respect of tax paid by wageearners.

(2) As regards the tax paid by employers to the Cameroon Housing Fund and the National Employment Fund, the provisions of Section 143 of the General Tax Code shall apply in the event of transfer of undertaking, discontinuance of activity or death.

Section 16 (New Law No 90-50 of 19 December 1990).- The decrees to lay down the conditions of implementations of Law No 77/10 of 13 July 1977 to institute a Housing Loans Fund Tax, are applicable to tax paid by employers to the National Employment Fund.

Section 17.-This law shall be registered, published according to the procedure of urgency and inserted in the official Gazette in French and English.

Yaounde, the 13 July 1977

The President of the Republic,
(ed) AHMADOU AHIDJO

ORDINANCE N° 89/004 OF 12 DECEMBER 1989 TO INSTITUTE AN AUDIOVISUAL COMMUNICATION TAX:

THE PRESIDENT OF THE REPUBLIC

Mindful of the Constitution;

Mindful of Law No 87/19 of 17 December 1987 to lay down the regulations governing Audiovisual Communication in Cameroon;

Mindful of Law No 87/20 of 17 December 1987 to set up the Cameroon Radio Television Corporation;

Mindful of Law No 89/1 of 1 July 1989 finance Law of the Republic of Cameroon for Financial year 1989/90,

HEREBY ORDERS AS FOLLOWS:

Section 1.- A tax aimed at contributing to the development of audiovisual activities is hereby instituted for the benefit of the Cameroon Radio-Television Corporation (CRTV).

Section 2.- The following shall be subject to the audiovisual communication tax:

- Employees of the public, semi-public and private sectors;
- Natural persons and corporate bodies who pay the business license.

Section 3.- (1) The basis for calculating the audiovisual communication tax, to be paid by employees, shall be the gross amount on which the proportional tax on salaries is calculated.

(4) The fixed monthly amounts of the audiovisual communication tax for employee shall be as follows:

Tranche			Redevances
from 0	To	50,000 CFA francs	0
from 50,001	To	100,000 CFA francs	750
from 100,001	To	200,000 CFA francs	1,950
from 200,001	To	300,000 CFA francs	3,250
from 300,001	To	400,000 CFA francs	4,550
from 400,001	To	500,000 CFA francs	5,850
from 500,001	To	600,000 CFA francs	7,150
from 600,001	To	700,000 CFA francs	8,450
from 700,001	To	800,000 CFA francs	9,750
from 800,001	To	900,000 CFA francs	11,050
from 900,001	To	1,000,000 CFA francs	12,350
above		1,000,000CFA francs	13,000

Section 4.- (1) The audiovisual communication tax payable by natural persons and corporate bodies subject to the business license, shall be assessed on the basis of the same rules, gurarantees, and penalties applicable to the business license.

(2) The fixed annual amount of the audiovisual communication tax payable by the natural persons, and corporate bodies referred to above shall be equal to the prime amount of the business license which they are liable to pay.

Section 5.- The audiovisual communication tax shall be deductible from personal income tax and company tax.

Section 6.- The following shall be exempted from the audiovisual communication tax:

- pensions and annuities;
- wages of household servants;
- wages of workers of individual agricultural or pastoral concerns;
- natural persons and corporate bodies shall be exempted from paying the business license under the provisions of the General Tax Code.

Section 7.- The audiovisual communication tax, payable by employees shall be deducted at source by the employer, who shall pay the money to the appropriate Treasury within the first twenty days of the month, for salaries and wages paid during the preceding month.

Section 8.- (1) The audiovisual communication tax due by employees shall be paid upon the presentation of a declaration of the said tax signed by the employer on forms supplied by the administration. The forms may be obtained from the Treasury or from the services of the Department of Taxation.

(2) The declaration shall have the following entries:

- full name or business name;
- address;
- period of assessment;
- amount of the audiovisual communication tax deducted at source.

(3) The declaration must be certified, dated and signed by the taxpayer or his authorized representative.

(4) Three copies of the declaration must be attached to the payment made to the Treasury.

5) Where the employer fails to declare the audiovisual communication tax payable by his employees, he shall be liable to a fine of 10, 000 francs.

Section 9.- Any natural person or corporate body liable to the audiovisual communication tax, shall be required to submit to the Taxation Services each year and within the time limit allowed for their turnover a statement showing the monthly and individual amounts of the audiovisual communication tax, the date and the number of the receipt for each of the payment.

Section 10.- Failure to deduct or pay the audiovisual communication tax due by employees, or the late payment thereof shall come under the same penalties applicable to the direct tax on salaries and wages.

Section 11.- The audiovisual communication tax corresponding to the business license shall be paid at the same time as the business license, on the basis of the same rules guarantees and penalties.

Section 12.- (1) The proceeds from the audiovisual communication tax shall be paid into a special account opened at the Treasury for the benefit of CRTV.

(2) The conditions for operating the account shall be laid down by an order of the Minister in Charge of Finance.

Section 13.-This ordinance shall be registered and published in the Official Gazette in English and French.

Yaoundé, 12 December 1989

The President of the Republic,
(ed) Paul BIYA

LAW N° 2001/017 OF 18 DECEMBER 2001 TO REVIEW THE PROCEDURES FOR THE COLLECTIONOF SOCIAL INSURANCE CONTRIBUTIONS

THE NATIONAL ASSEMBLY DELIBERATED AND ADOPTED,
THE PRESIDENT OF THE REPUBLIC HERBY ENACTS
THE LAW SET OUT BELOW:

Section 1.- This law reviews the procedures for the collection of social insurance contributions.

Section 2.- Contributions owed to the body in charge of social insurance by employers, shall be assessed, validated, and collected by the tax authority at the request of and for the National Social Insurance Fund under the same conditions and within the same deadlines as those provided for by the General Tax Code.

Section 3.- The basis of assessment of social insurance contributions shall be fixed in accordance with the assessment regulations governing social legislation.

Section 4.- Social insurance contributions already validated, and finally notified to the employers before the enactment of this law shall be recovered under the same conditions as those provided for in Section 2 above.

Section 5.- The conditions for implementing this law shall be laid down by joint order of the Minister in Charge of Social Insurance and the Minister in Charge of Finance.

Section 6.- This law which repeals all previous provisions repugnant hereto shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 18 December 2001

The President of the Republic,
(ed) Paul BIYA

LAW N° 2009/018 OF DECEMBER 2009 FINANCE LAW OF THE REPUBLIC OF CAMEROON FOR THE 2010 FINANCIAL YEAR

(OTHER FISCAL AND FINANCIAL PROVISIONS)

Section 7.- (1) The assessment and collection of transit duty on pipeline oil shall come under the jurisdiction of the customs Administration.

(2) The conditions of application of these provisions shall be laid down by regulation.

Section 8.- Proceeds of additional council taxes derived from value-added tax shall be entirely transferred to regional and local authorities.

Section 9.- The value-added tax applied to the price components of a taxable transaction for December 2009 shall be deductible by one-twelfth until the end of the 2010 financial year.

Section 10.- (1) A legal depreciable and non-depreciable tangible asset revaluation regime is hereby instituted.

(2) Any natural person or corporate body subject to the actual assessment regime shall be eligible for the revaluation regime referred to in subsection (1) above.

(3) Any natural person or corporate body that voluntarily carried out the revaluation of its fixed assets during the last four financial years shall be exempt from the obligation to carry out revaluation provided for in subsection (1) above.

(4) Revaluation shall be carried out no later than 31 December 2012.

(6) Revaluation shall not be partial or spread out. It shall be subject to a return appended to the Tax and Statistical Return for the financial year in which it was conducted.

(7) The revaluation surplus shall be subjected to a 10% levy in discharge from any other tax, duty, fee and royalty.

(8) The conditions of application of the provisions of this Section shall be laid down by regulation, where necessary.

Section 11.- The stipulation of section sixteen of the law No. 95/010 of 1 July 1995 on the finance law of the Republic of Cameroon for the 1995/1996 fiscal year instituting the tax payer's card are modified as follows:

Section 16.- (new) The deliverance of the Tax Payer's Card as well as its renewal is free.

Yaounde, 15 December 2009

The President of the Republic,
(ed) Paul BIYA

LAW N0 _2024/020 0F _23 DECEMBER 2024 ON LOCAL TAXATION
The Parliament deliberated and adopted, the President of the Republic hereby enacts the law set out below

PART I
GENERAL PROVISIONS
SINGLE CHAPTER

Section C 1.- (1) This law relates to local taxation. It lays down the taxes, duties and royalties collected on behalf of regional and local authorities, hereinafter referred to as "local authorities".

(5) Local taxation shall refer to all taxes collected by the taxation services of the State on behalf of local authorities. All such taxes shall also be referred to as "local taxes"

(6) Local taxation shall apply to councils, subdivisional councils, city councils, regions and any other type of local authority established by law.

(7) Unless otherwise specifically provided in this law, the fiscal procedures applicable to State duties and taxes shall apply *mutafis mutandis to* local tax base issuance, recovery, control, penalties, and litigation.

Section C 2.- Local taxes shall include:

- Council taxes ;
- additional council taxes on State taxes and duties;
- regional taxes and royalties;
- any other levy provided for by law.

Section C 3.- (1) A local authority may Ievy a tax, duty or fee only if such tax, duty or fee has been established by law. adopted by the deliberative body and approved by the competent authority.

(2) The rates and tariffs of local taxed and fees shall be fixed by the deliberative body of local authorities, in compliance with the ranges laid down by law.

Section C 4.- (1) The taxation services of the State shall be responsible for the administration of all taxes devolved to local authorities.

(2) The tax revenue collected by the tax authorities on behalf of local authorities and public bodies shall be subject to a deduction of 10% to cover tax assessment and recovery costs. A separate instrument shall lay down the conditions for allocating such share.

Section C 5.- To ensure the harmonious development of all local authorities, in accordance with the principle of solidarity, proceeds of some local taxes and duties may be subject to equalization based on the criteria and conditions laid down by the laws and regulations.

Section C 6.- (1) Local taxes shall be levied and collected under the same conditions as State taxes, except as otherwise provided in this law.

(3) The State shall ensure that the annual local tax yield corresponds to a proportional rate set as a ratio of the level of its tax resources. To this end, financial services of the State involved in the fiscal management of local authorities shall be bound to collect the local taxes falling within their competence with the same efficiency as for State taxes.

PART II:
COUNCIL TAXES

Section C. 7.- (1) Proceeds of council taxes collected by the State shall be derived from:

- business license tax,
- license fees; comprehensive tax; land tax;

- immovable property conveyance fee;
- motor vehicle stamp duty:
- forest royalty;
- stamp duty on advertising.
- tourist tax;
- special excise duty to finance waste collection on behalf of regional and local authorities.

(2) The tax revenue allocated to councils may be capped in the Finance Law, as and when necessary.

CHAPTER I: BUSINESS LICENCE TAX

DIVISION I: GENERAL PROVISIONS

Section C 8.- Any natural or legal person of Cameroonian or foreign nationality who engages in an economic, commercial or industrial activity in a council, or who practices any other profession not included in the exemptions provided for in this law, shall be liable for the business licence tax. hereinafter referred to as "the licence tax".

Section C 9.- The effective or habitual exercise of a profession for financial gain shall entail payment of the business license~~.~~

Section C 10.- (1) The business licence tax assessment shall be based on the taxpayer's declared turnover for the last financial year ended.

(2) The activities listed in Annex I shall of right be liable to pay the business licence tax, irrespective of turnover.

DIVISION II: WAIVERS AND EXEMPTIONS

SUBDIVISION I: WAIVERS

Section C 11.- The following shall not be liable for the business license tax:

1. the State, local authorities, public establishments and government agencies, for cultural, educational, health, social, sporting or tourist activities carried out by them, irrespective of turnover tax status;

2. hackers, whether on the street, public places or in flower or grocery markets;

3. street vendors of newspapers end periodical, excluding other stationery, provided their activity has been duly declared in accordance with the law in force;

4. business associates in a partnership, joint stock or limited liability company;

5. songwriters;

6. savings and insurance funds administered free of charge and mutual assistance schemes, provided they are duly authorized and operate in accordance with their corporate purpose;

7. army canteen managers, provided they do not sell alcoholic beverages to the public;

8. hospitals run by religious bodies or non-profit organizations;

9. producers, farmers and/or stockbreeders with a turnover of less than 10 million CFAF from the sale of crops and fruit from the land they own or work, or from the sale of livestock they breed, rear or fatten;

10. company shops, farmers' unions and consumer cooperatives, provided they do not have shops and restrict themselves to grouping together the orders of their members and distributing in their shops the commodities, products or goods ordered;

11. private institutions for the reception and vocational training of poor children;

12. School facilities;

13. explorers and hunters;

14. fishermen and registered seafarers personally engaged in fishing and selling their own catch;

15. persons liable for the comprehensive tax;

16. canoe operators other than those using a motor or steam vessel;

17. farmers selling firewood harvested exclusively from land cleared for farmland;

18. sail marsh owners or farmers;

19. landlords or tenants who inadvertently let part of their personal dwelling as furnished accommodation, where such letting is not on a regular basis;

20. wage and salary earners solely in respect of their paid employment;

21. rural development cooperative societies' and agricultural mutual benefit and credit schemes Operating in accordance with their purpose;

22. cooperative and/or their unions as well as Common initiative groups (CIGs) seeking to:

(c) engage in or facilitate the production, preservation or sale of agricultural products harvested exclusively on farms owned by partners; or

(d) provide their members with farm equipment, machinery and tools for their own use

23. whether paid by commission or fixed salary, provided they have no trading character independent of their principals, commercial and industrial salespersons, whether or not they work for one or more companies, whether or not they are remunerated by means of discounts or fixed fees, provided they do not have a professional personality independent of that of the traders whose products they market;

SUBDIVISION II:
TEMPORARY EXEMPTION

Section C 12.- (1) New enterprises shall be exempted from business license tax for a period of 12 (twelve) months.

(3) The period mentioned in (1) above shall be extended by 12 (twelve) months for enterprises that are members of approved management centres.

DIVISION III:
TARIFFS

Section C 13.- (1) The business licence tax shall be paid by applying a rate to the turnover of the taxpayer for the previous financial year, fixed as follows:

- 0.159% on the turnover of large enterprises, for a minimum contribution of CFA francs 5 000.000 and a maximum contribution of CFA francs 2.5 billion;
- 0.283% on the turnover of medium-sized enterprises, for a minimum contribution of CFA francs 141,500 and CFA francs 4 500 000 maximum;
- 0.494% on the turnover of small-sized enterprises, for a minimum contribution of CFA francs 50 000 and CFA francs 140 000 maximum.

(2) The amount of the business licence tax calculated according to the conditions set out in (1) above shall, in addition to the principal amount of the business licence tax, include the local development tax, the additional council tax for consular chambers and the audio-visual fee. The said amounts shall be paid to each beneficiary in accordance with the rates and procedures laid down by the instruments in force.

Section C 14.- (1) The business license tax shall be assessed on the basis of the taxpayer's total turnover.

(2) For taxpayers with more than one establishment, the business licence tax shall be assessed on each establishment in proportion to its turnover.

DIVISION IV:
SPECIAL PROVISIONS

Section C 15.- Business licenses shall be established with due regard to the following special conditions:

(1) Where there is no accounting data to enable the turnover of any commercial activity to be accurately assessed, such activity shall be deemed to be equivalent to ten times the stock recorded valued at its selling price. However, the inspector or controllers shall be entitled to assess the business licence tax by comparison with a similar establishment.

(2) Under no circumstances shall the imports or exports effected by a bank, branch of a bank or body acting as a commission merchant or forwarding agent, exempt customers from the import or export business licence tax. However, a trader whose transactions of this nature do not amount to 10 milllon CFAF a year shall not be deemed to be an importer.

(3) Import and export turnover shall be aggregated for the purpose of obtaining the business licence tax as an importer or exporter.

(4) The business license tax of a carrier shall not cover the itinerant trading operations af the carrier, the driver and his assistants, the shipowner, the master of the crew members.

(5) Shipping companies and airlines whose vessels or aircraft call at Cameroon ports or airports shall be subject to the business licence tax only if they have an establishment in Cameroon.

(6) Insurance companies represented in Cameroon without having an establishment in the country shall be subject to the business licence tax only at the registered office or principal establishment of the insurance agent representing them.

DIVISION V:
ANNUAL NATURE OF THE BUSINESS LICENSE

Section C 16.- The business licence tax shall be payable for the whole year by any person engaged in a taxable activity as at 1 January.

Section C 17.- (1) Persons who commence an activity liable for the business licence tax in the course of the year shall be liable for this tax only from the first day of the month in which they commenced the actvity, unless the nature of the activity is such that it cannot be undertaken throughout the year. In such a case, the business licence shall be due for the whole year, regardless of when the activity is started.

(2) The turnover to be taken into account for the assessment of the business licence shall be:

- for new activities, the turnover declared on the first day of commencement of the activity;
- for activities at least one year old, the turnover realised during the previous previous financial year.

Section C 18.- In the event of cessation of activity as a result of death, court ruling or petition in bankruptcy or owing to expropriation or expulsion. the business licence shall be due only up to the end af the current month. Write-off of the balance shall be granted at the request of the person liable within 3 (three) months of the event.

DIVISION VI:
OBLIGATIONS OF PERSONS LIABLE

Section C 19.- Taxpayers operating a business that requires a business licence must register their business in accordance with the Manual of Tax Procedures, even if they are exempt.

Section C 20.-Taxpayers with more than one establishment must provide details on the turnover of each establishment and its location by council to the tax authorities before 15 January each year.

DIVISION VII:
ISSUANCE AND PAYMENT OF THE BUSINESS LICENSE

Section C 21.- (1) Taxpayers subject to the business license shall declare and pay their taxes in a lump sum:

- within 2 (two) months following the beginning of the financial year, in case of renewal of the business license;
- within 2 (two) months following the expiry of the temporary exemption.

Section C 22.- (1) The business licence shall be declared online using a form provided by the tax administration *via* the e-filing application.

(3) it must be paid by means of a tax assessment notice issued exclusively through the computerized system of the tax administration.

DIVISION VIII:
PENALTIES

Section C 23.- (1) Any taxpayer that fails to pay the business licence tax within the prescribed time-limit, or fails to provide within the same period the information required for the business licence tax assessment, shall be liable for a penalty of from 10% to 30% of the tax due per month of delay.

Section C 24.- Any taxpayer engaged in an activity liable for the business licence tax and that fails to pay the relevant taxes shall be automatically assessed for the whole year and the tax payable shall an additional carry charge of 50% to 100% depending on whether or not the bona fides are established.

CHAPTER II:
LICENSES FEES

DIVISION I:
GENERAL PROVISIONS

Section C 25.- (1) Any natural or legal person engaged in the following activities shall be liable for licence fees:

- production or sale (wholesale or retail) of alcoholic or non-alcoholic beverages;
- production or sale of firearms, ammunition ana explosives,
- gambling and entertainment activities.

Section C 26.- (1) The fallowing shall be considered as non-alcoholic beverages:

- non-alcoholic beer brewed from the fermentation of a wort made from malt, barley or rice, hops and water;
- cider, perry made from the fermentation of fresh apple and pear juice and. more generally, any fermented juice made from fresh fruit such as lemon, orange pineapple, pumpkin, raspberry, pomegranate, cherry, redcurrant, with the exception of wine.

(3) Beers, wines, liqueurs and drinks other than those listed in the preceding sub-section shall be considered to be alcoholic beverages.

Section C 27.- Games of chance and entertainment shall be games which, by whatever name they may be called.

- are based on the expectation of gain in kind or in cash that may be obtained through lottery or any other means:
- are intended solely for entertainment.

Section C 28.- The following activities shall be exempt from licensing: the production and sale of mineral water, aerated water, whether or not favoured. with non-alcoholic extracts, and the sale of fresh unfermented fruit juice, provided that such sales are made in an establishment other than one licensed for the sale of
dutiable beverages.

Section C 29.- (1) The business licence tax shall be personal and payable annually.

(4) It shall be payable per establishment according to the same rules as for the business licence tax or comprehensive tax.

(5) The licence tax assessment shall be based on turnover

Section C 30.- (**1**) The liquor licence fee shall be:

- twice the amount of the business licence tax for non-alcoholic beverages; 4 (four) times the amount of the business licence tax for:
  - alcoholic beverages;
  - firearms, ammunition and explosives;
  - gambling and entertainment.

(3) However, for activities subject to a licence tax and falling within the scope of the comprehensive tax, the licence fee shall be:

- equal to the amount of the comprehensive tax for non-alcoholic beverages.
- twice the amount of the comprehensive tax for:
  - alcoholic beverages;
  - firearms, ammunition and explosive.
  - gambling and entertainment.

Section C 31.- Where the sale of drinks is carried on concurrently with another business in the same establishment, the turnover to be considered for assessment of the licence fee shall be that declared for the sale of drinks

Section C 32.- (1). Off-licence dealers may not sell quantities of less than one litre, except in sealed bottles bearing a mark of origin. Otherwise, they shall be considered to be on-licence dealers.

(2) Whoever allows or tolerates the consumption of take-away drinks in his establishment or on his veranda shall also be considered to be an on-licence dealer.

Section C 33.- Where the operations carried out in the same establishment could give rise to different licences, such establishment shall be subject to the highest licence tax for all the operations carried out therein.

Section C 34.- For the purpose of assessing turnover for the liquor licence, any free distribution of drinks, commercial discounts, commercial operations or transactions giving rise to barter or exchange, or any drinks set aside for personal consumption shall be deemed to be a sale.

Section C 35.- (1) Payment of the liquor licence fee shall be separate from the payment of the business licence or comprehensive tax, and the assessment of the one shall not constitute an exemption from payment of the other.

(2) The sale of drinks concurrently with another business shall give rise to payment of the liquor licence fee as well as the business licence or comprehensive tax for the other business.

Section C 36.- (1) All provisions pertaining to the payment of the business licence or the comprehensive tax, and bearing on the principles, the concept of establishment, the returns

to be filed, their verification and assessment shall apply to the payment of liquor licence fees.
(2) Whoever sells beverages subject to a licence fee without authorization or carries on a business subject to a higher tax than that initially levied shall be automatically assessed for the whole year, or for the difference between the actual amount due and the amount already paid.

DIVISION II
LIQUOR LICENCE FEE RATES

Section C 37.- Liquor licence fee rates are shown in the following table:

Type of Activity		Activities Liable for Business Licence Tax	Activities Liable for Comprehensive Tax
Liquor Licence Class	Basic Element	Business Licence Tax	1 time the amount of general synthetic tax
Class 1	Non-alcoholic beverages	2 times the amount of business licence tax	1 time the amount of the general synthetic tax
Class 2	- Alcoholic beverages ; - Firearms, ammunition and explosives; - Gambling and entertainment	4 times the amount of business licence tax	2 times the amount of comprenensive tax

CHAPTER III:
COMPREHENSIVE TAX

Section C 38.- (1) A comprehensive tax is hereby instituted in full discharge of payment of the business licence tax, the value added tax, the personal income tax for industrial and commercial profits (ICP) and agricultural profits (AP),

(2) Without prejudice to the provisions of (1) above, taxpayers subject to the comprehensive tax regime shall remain liable for:

- taxes and service fees;
- liquor licence fee;
- withholding taxes;
- tax and employer charges on their employees.

(3) Persons liable for the comprehensive tax shall remain subject to the annual filing requirements set out in Section 74 of the General Tax Code.

DIVISION I
PERSONS LIABLE TO COMPREHENSIVE TAX

Section C 39.- (1) Taxpayers engaged in a commercial, industrial, handicraft or agro-pastoral activity, not subject to assessment based on actual earnings, with an annual turnover excluding taxes of less than **50 000 000 CFAF** shall be liable for the comprehensive lax.

DIVISION II:
RATES

Section C 40.- (1) The comprehensive tax shall be assessed on the basis of annual turnover excluding taxes as follows:

(2) For taxpayers liable for the comprehensive tax regime who are required to keep accounts, the comprehensive tax rates referred to in (1) above shall be reduced by half where they are registered in an approved management centre.

Class	turnover Brackets (CFAF)	Amount Payable(CFAF)
10.	**Below 500 000**	**20 000**
11.	**Equal to or above 500 000 and below 1 million**	**30 000**
12.	**Equal to or above 1 million and below 1.5 million**	**40 000**
13.	**Equal to or above 1.5 million and below 2 million**	**50 000**
14.	**Equal to or above 2 million and below 2.5 million**	**60 000**
15.	**Equal to or above 2.5 million and below 5 million**	**150 000**
16.	**Equal to or above 5 million and below 10 million**	**3 00 000**
17.	**Equal to or above 10 million and below 20 million**	**5 00 000**
18.	**Equal to or above 20 million and below 30 million**	**1 000 000**
10.	**Equal to or above 30 million and below 50 million**	**2 000 000**

DIVISION III
DISCHARGE TAX DECLARATION AND ASSESSMENT

Section C 41.- (1) Any taxpayer liable for the comprehensive tax shall submit against a receipt to the taxation centre of the place of assessment, no later than 15 March of each year, a detailed declaration of income earned during the previous financial year, on a form provided by the Tax Administration.

(2) Without prejudice to the provisions of (1) above, the comprehensive tax shall be paid quarterly, within 15 days of the end of each quarter, electronically according to the format prescribed by the Tax Administration.

(3) Any taxpayer that has several establishments within the territory of several taxation centres, must, in addition to filing quarterly lax returns with each of the taxation centres, submit a summary statement of turnover for each establishment to the taxation centre with jurisdiction over principal establishment.

(4) The annual summary statement shall be subject to adjustment, where necessary.

Section C 42.- (1) The comprehensive tax shall be paid per establishment where different activities are carried out by the same taxpayer.

(2) It shall be paid quarterly within 15 (fifteen) days of the end of each quarter by electronic means, in accordance with the model prescribed by the Administration.

DIVISION IV
OBLIGATIONS OF TAXPAYERS

Section C 43.- (1) Taxpayers liable for the comprehensive tax, even where exempted, shall be required to comply with the registration requirements set out in the Manual of Tax Procedures.

(3) Any taxpayer liable for the comprehensive tax must, on request. provide the competent authorities with evidence of tax compliance by presenting a valid tax clearance certificate.

Section C 44.- (1) Taxpayers subject to the comprehensive tax regime, with a turnover equal to or above 10 000 000 (ten million) CFA francs shall keep accounts in accordance with the minimum cash flow system provided for by the OHADA Uniform Act on Accounting Law and Financial Information.

(2) The accounting elements provided for in paragraph (1) above shall be presented at the request of the tax authorities.

DIVISION V
PENALTIES

SECTION C 45: (1) Failure to pay comprehensive tax within the time limits specified above shall lead to closure of the business (es) and a penalty of 50% of the tax amount due, without prejudice to other penalties.

SECTION C 46.- (1) Failure to present a valid tax compliance certificate will result in the closure of the establishment. It shall also be punished with a tax fine of 25 000 (twenty-five thousand) CFA francs.

(2) However, failure by street vendors and hauliers to provide evidence of tax compliance shall result in seizure of non-perishable movable goods or vehicles and their retention at the council impound, in accordance with the relevant rules and procedures

SECTION C 47.- (1) Failure by taxpayers liable for comprehensive tax to keep accounts shall result in closure of the business and a tax penalty of 1 (one) million CFAF.

SECTION C 48.- (1) where positive data indicate that a taxpayer liable for comprehensive tax has a turnover of more than 50 million CFAF, such taxpayer shall be liable for business licence tax and assessed based on actual earnings.

CHAPTER IV:
PROPERTY TAX
DIVISION I
SCOPE

SECTION C 49.- (1) Property tax shall be levied annually on built-on and non-built-on estates found in a council under the following conditions:

- for property on built-on estates that benefit from infrastructure and services such a road networks, asphalted roads, water, electricity, and telephone services;
- for property on non-built-on estates when they are located in headquarters of administrative units.

(2) Property tax shall also be applicable to land located in urban peripheries.

(3) Natural and legal persons who own built-on and non-built-on estates, including de facto owners, shall be liable for property tax.

(4) Where a building is rented under a long, building or rehabilitation lease, or subject to an authorization of temporary occupation of public land constituting a right in rem, the property tax shall be issued in the name of the long building or rehabilitation lessees, or authorization holder.

DIVISION II
EXEMPTIONS

SECTION C 50.- (1) The following properties shall be exempted from the property tax.:

- property belonging to the State, local authorities and public establishments which are not of an industrial or commercial nature.
- property belonging to public and private hospitals and schools;
- property belonging to denominational, cultural or charity organizations recognized as being in the public interest. where such property is used for non-profit purposes;
- industrial agricultural livestock and fishery enterprises regarding buildings used as factories, sheds or warehouses, excluding office buildings erected thereon;
- property belonging to international organizations which have signed headquarters agreements with Cameroon:
- property belonging to diplomatic missions subject for reciprocity;
- property belonging to clubs, approved sports associations or bodies, those used for sporting activities, as well as sports facilities;

(2) Land used exclusively for agricultural, livestock and/or fishing purposes exclusively shall also be exempted.

DIVISION III:

TAXABLE EVENT AND DUE DATE

SECTION C 51.- (1) Owners and de facto owners of built-on or non-built-on estates shall be liable for property tax.

(2) Property tax shall be due on the 1 January of each fiscal year. It shall be voluntarily settled no later than 30 June by the tax payer or trustee
thereof, or on the basis of a pre-filled return.

DIVISION IV:
BASIS OF ASSESSMENT
I- TAX BASE

SECTION G 52.- The basis of assessment of the property tax shall be the value of lands and buildings declared by the owner. The value per zone shall be fixed by a separate instrument.

In the event of failure to file returns or of reduction, the administrative value of the property fixed in accordance with the provisions of Section 546 (a) of this General Tax Code shall serve as the basis of assessment.

II- TAX RATES

SECTION C 53.- Property tax rates per zone shall be fixed by a separate instrument.

DIVISION V:
PLACE OF ASSESSMENT AND PROCEDURE

SECTION C 54.- (1) Property tax returns shall be filed and the tax paid at the Taxation Centre under whose territory the property is located.

(2) However, companies under a specialized management unit shall file their tax returns and pay their taxes there.

DIVISION VI
MISCELLANEOUS PROVISIONS

SECTION C 55.- (1) Documents relating to mortgage, transfer of ownership or use of property shall be registered only upon proof of regular payment of the land tax on ownership.

(2) Any entry in the land register shall be subject to presentation of a receipt for payment of property tax a certificate of exemption issued by the competent tax authority.

(3) Persons liable for or exempt from property tax shall be bound to deposit a duplicate of the land title deeds, building permits, building estimates and other-similar documents with the competent tax service within one month of their issuance.

(4) The services issuing the above documents shall be bound to send copies to the competent tax service within three months of their issuance.

(5) Where the above documents are drawn up in the name of an authority, the co-owners shall be jointly and severally liable for payment of the tax assessed in the name of their representative. The same procedure shall apply to joint ownership property.

Section C 56.- The procedure of assessment, control, collection and litigation, as well as the general obligations and sanctions applicable to the property tax are set out in the Manual of Tax Procedures.

CHAPTER V:
PROPERTY TRANSFER TAX

Section C 57.- (1) A property transfer tax shall be introduced for the benefit of Councils as provided for in the General Tax Code anal applicable as follows:

a) At 10% interim rate.

- deeds and transfers of built-on urban property.

b) At 5% medium rate:

- deeds and transfers of non-built-on urban property and built-on rural property.

c) At 2% reduced rate:
- deeds end transfers of non-built-on urban property.
d) At 1% super reduced rate:
- notwithstanding the previsions of Article 344 of the General Tax Code, deeds and transfers of property to associations recognized as being of public utility and duly authorized religious bodies.

CHAPTER VI
STAMP DUTY ON MOTOR VEHICLES

Section C 58.- A stamp duty shall be levied on motor vehicles and two- or three-wheel motor vehicles in circulation on Cameroonian territory.

Section C 59.- The following shall be exempted from automobile stamp duty:

- non-motorized two- or three-wheel vehicles
- motorized three-wheel vehicles for the physically challenged;
- vehicles whose owners benefit from diplomatic or consular privileges,
- as well as vehicles with temporary admission used exclusively for international cooperation projects;
- test vehicles with "WG" registration;
- vehicles in transit or with "WT" registration;
- law enforcement vehicles with Armed Forces, Gendarmerie and National Security number plates;
- ambulances;
- vehicles registered abroad whose owners hold passports with a tourist visa for a period of three months or less or an authorization to travel on Cameroonian territory for a period of three months or less, issued by the Road Traffic Department;
- government vehicles.

Section C 60.- Stamp duty shall be paid annually and the tax period shall run from 1 January of each year to 31 December of the same year.

Section C 61.- (1) The rates of stamp duty on motor vehicles shall be fixed as follows:

a. For public passenger and goods transport vehicles:

- vehicles from 2 to 7 hp…………..15 000 CFAF;
- vehicles from 8 to 13 hp........25 000 CFAF;
- vehicles from 14 to 20 hp.......50 000 CFAF;
- vehicles of above 20 hp.......150 000 CFAF.

b. For other vehicles:

- vehicles from 2 to 7 hp…….. 30 000 CFAF;
- vehicles from 8 to 13 hp……..50 000 CFAF;
- vehicles from 14 to 20 hp…….75 000 CFAF;
- vehicles of above 20 hp……..200 000 CFAF.

(2) The application of the tariffs provided for in (1) above shall be subject to the presentation of a transport licence duly issued by the competent authority.

Section C 62.- (1) Motor stamp duty shall be collected by insurance companies when third-party liability insurance policies are taken out.

(2) Insurance companies shall deduct motor stamp duty at the rates set out in Article 597 of the General Tax Code from the first payment of the insurance premium during the year, whether such payment is partial or total.

(3) When the motor stamp duty shall be collected, the insurance company must issue a certificate of payment, generated by the computer system of the tax authorities.

(4) The motor stamp duty collected shall be declared and paid to the Tax Collector of the Taxpayer's Centre where the insurance company is based, by the 15th of the month following the month of payment by the insured.

Section C 63.- (1) Insurance companies shall be required, under penalty of fine provided for in Article L 104 of the Manual of Tax Procedures, to attach to their annual returns a list of their intermediaries, specifying their name or company name, unique identification number, address and location.
(2) Failure to issue a car stamp duty payment certificate from the computer system of the tax authorities shall attract the fine provided for in Article L 104 (1) of the Manual of Tax Procedures.

Section C 64.- The rates of stamp duty on motorcycles shall be fixed as follows:
- two-wheel motorcycle…………………………10.000 CFAF
- three-wheel motorcycle.......................................15 000 CFAF.

Section C 65.- (1) Vehicle tax for motorcycles shall be deducted in a single payment by the motorcycle dealers on behalf of their relevant taxation offices by the 15th of the month following that of the sale.

(2) However, vehicle tax of imported motorcycles by private individuals shall be calculated and collected by customs services.
Section C 66.- Notwithstanding the provisions of Sections 598a and 598b of the General Taxation Code, the tariffs and collection terms applied to motorcycles whose taxable power is equal to or more than 2 horse power shall be as those applied to vehicles.
Section C 67.- Rules governing tax base, control, recovery, disputes including general conditions and sanctions applicable to vehicle tax shall be provided for by the Manual of Tax Procedures.
Section C 68.- (1) Failure to present a payment receipt of the vehicle tax generated by the computerized system of the taxation services to agents in charge of control, shall be considered and punished as simple offence according to the provisions of Section 362 (b) of the Penal Code.
(2) Duly noted failure to pay the vehicle tax shall constitute a simple offence provided for and punished by Section 362 (c) of the Penal Code.
(3) In addition to the penal fine provided for in (1) above, the owner of the vehicle shall pay a fine as penalty plus the normal vehicle tax due.
Section C.69.- Offences provided for in Section 601 of the General Tax Code shall be reported by agents of the Directorate General of Taxation specifically assigned to that end, insurance company employees in collaboration with taxation authorities and every other road traffic agent with legal powers to bring to book.
Section C 70.- (1) Prosecution and proceedings shall be carried out pursuant to Section C 68 above.
(2) An additional fine shall be charged in case of non-payment of the vehicle tax by a vehicle owner or policy holder who have not taken out or renewed their insurance policy by the end of a financial year.

CHAPTER VII
ANNUAL FORESTRY ROYALTY

Section C 71.- (1) The annual forestry royalty shall be based on the surface area of logging licenses of all types, including sale of standing volume issued to specific development projects and shall comprise a floor price and a financial offer.
The floor price shall be fixed as follows:
- sale of standing volume: 2 500 CFAF/ha;
- concessions: 1 000 CFAF/ha.

Forestry royalty shall be paid in three equal instalments before the following deadlines:
- 15 March for the first instalment,
- 15 June for the second instalment;
- 15 September the third instalment.

(2) Where logging license is issued for the first time after 30 June, annual forestry royal shall be calculated on a pro rata temporis basis and shall be paid within 45 (forty-five) days following payment of the guarantee deposit.

(3) Annual forestry royalty shall also be paid monthly on the 15th of every month The proceeds of the annual forestry royalty shall be shared as follows:
- State…………………………..50%;
- Councils………………………50%.
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CHAPTER VIII
.ADVERTISING TAX
DIVISION I:
GENERAL PROVISIONS

Section C 72.- The following shall be subject to the advertising tax:

- bills;
- tracts and leaflets;
- billboards;
- newspaper, radio, movie, television advertising and vehicles with loud
- speakers;
- free distribution for commercial purposes,
- any other material or non-material medium.

Section C 73.- (1) The following shall mean:

- **poster:** advertisement engravings or inscriptions on paper, protected or not, posted for a period of 6 (six) months in public places or places open to the public, with or without payment of a fee or visible from a public place or on vehicles and without signs;
- **leaflets and flyers:** documents distributed free of charge to the public in public places or places open to the public, with or without payment of a fee, and which are not purely technical notices,
- **billboards:** advertisement engravings and inscriptions, illuminated or not. other than posters installed in public places or places open to the public with or without payment of a fee, or visible from a public place or on vehicles and without signs.

DIVISION II
TARIFFS

Section C 74.- (1) Stamp duty shall be levied at a rate of 3% of the invoiced cost of advertising for each medium, whether locally printed or imported, with the exception of car advertising.

(2) For car advertising, stamp duty shall be fixed at 30 000 CFAF per month and per vehicle with PA system. This fee shall be 20 000 CFAF per month and per vehicle without PA system.
(3) For tobacco and alcoholic beverage advertising, including free distribution, stamp duty shall be levied at a rate of 15%.
(4) Illuminated plates and signs placed on commercial and industrial establishments for the purpose of locating them shall be excluded from payment of stamp duty an advertising.

DIVISION III:
COLLECTION METHOD

Section C 75.- Stamp duty on advertising shall be paid as follows:

(1) **Posters, leaflets and flyers:**

Payment of stamp duty on advertising by these media shall be deducted at source by companies in specialized management units and remitted to the relevant centre under the same conditions as other taxes, duties and fees.

Other advertisers shall declare and pay stamp duty on advertising to an advertising agency, which shall be required to repay the amount of duty collected within 15(fifteen) days of the month in which the advertisement duty was paid.

(c) **Posters, leaflets and flyers printed in Cameroon:** Printers of printed leaflets based and operating in Cameroon shall keep a register signed and initialed by the authority in charge of registration, in which they shall enter all printed posters and leaflets they have produced.

Posters, leaflets and flyers shall bear the name of the printer and their number in the Printing register corresponding to the stamp collected.

(d) **Posters, leaflets and flyers printed outside Cameroon:** Prior to importation, users of these documents shall declare their type and quantity to the Tax Centre of their domicile or registered office.

Payment shall be made in the month of entry a the posters, leaflets or flyers Cameroon at the Tax Centre that received the declaration prior to importation. Such documents shall not be used prior to the payment of the duties.

(c) **Billboards:** Companies and individuals in specialized management units that use billboards shall declare and pay stamp duty to their relevant tax centre under the same conditions as other taxes, duties and fees.

With the exception of the above-mentioned companies, other advertisers shall declare and pay the amount of stamp duty amount due to an advertising agency at the same time as the advertisement costs, with the latter being responsible for repaying the duties thus deducted within 15 (fifteen) days of the end of the previous month.

The above declaration shall mention:

(a) the purpose of the advertisement;

(b) the surname(s), first name(s), profession(s) or business name(s), domicile or registered office(s) of the person(s) or local authority(ies) for whose benefit the advertisement is being made, and where necessary, of the advertising contractor;

(c) the precise location of the billboard.

(3) Press advertisement

(a) **Newspaper printed in Cameroon:**

Publishers of newspapers printed in Cameroon shall collect the amount of stamp duty due at the same time as the price of the insertion, and remit it, on declaration to the relevant Tax Centre at the same time as the spontaneous payment taxes, the collections made during the previous month.

For companies under specialized management units, stamp duty on advertisement shall be deducted at source at the time of insertion.

Stamp duties thus withheld shall be declared to and paid by the relevant tax centre under the same conditions as spontaneous payment taxes.

(d) Newspapers published outside Cameroon but distributed in Cameroon:

The insertion of an advertisement in a newspaper published outside cameroon but distributed in Cameroon shall give rise to declaration and payment of stamp duty on the advertisernent at the time of payment of the advertisement costs corresponding to such insertion.

4) **Radio and television advertisement:**

Radio and television stations shall collect the stamp duty due together with advertisement costs. They shall refund such duty to the Tax Reporting Centre upon declaration at the same time as the spontaneous payment taxes, the amount collected during the previous month.

For campanies with specialized management units, stamp duties on advertisement shall be deducted at the source at the time of insertion.

- The duties thus deducted shall be declared and paid in to the relevant tax centre under the same conditions as other taxes, duties and fees.

  The declaration shall specify:
  - the purpose of advertisernent;
  - the full name, address and location of the beneficiary of the advertisement;
  - the unit or inclusive cost and the number of insertions;
  - the duration, date or period of the insertion.

Radio and television stations shall keep a register signed and initialled by the office in charge of registration for purposes of checking the advertisement. The register shall indicate dues deducted for each insertion as welI as references for payment receipts.

6) Advertisement through cinema:

Cinema hall operators shall collect the advertisement projection simultaneously with payable stamp duties.

They shall transfer such fees to the relevant Tax Centre upon declaration, simultaneously with the tax spontaneous payment and the amount collected during the previous month

For campanies with specialized management units, stamp duties on advertisement shall be deducted at source at the time of insertion.

The collected duties shall be declared and transferred to the relevant tax center under the same conditions as other taxes, duties and fees

This declaration shall specify:

- the purpose of the advertisement;
- the names, address and location of the beneficiary of the advertisement
- the unit or inclusive cost and the number of projections;
- the duration, date or period of projection,
- any contract between the parties.

Cinema hall operators shall keep a register signed and initialled by the registration office that shall indicate the various projections conducted, their cost, the amount of charges collected and their payment references.

6) Advertisement using vehicles whether or not equipped with a PA system. Before using a vehicle equipped with a PA system authorized for advertising, the owner of the said vehicle shall make a declaration thereof.

The tax office shall issue a receipt to be presented at every tax inspection. The declaration shall specify:

- the names, address and location of the owner of the vehicle;
- the characteristics of the vehicle and date of first registration in Cameroon;

- the vehicle registration number;
- the date the vehicle equipped with PA system was put into service.

The stamp duties on advertisement using vehicles equipped with PA system or not on the bodywork shaIl be paid upon declaration by the proprietor:

- during the month following the quarter during which the vehicle was used for that purpose;
- during the first month of each quarter for subsequent payments.

The declaration shall be made at the Taxation Centre of the domicile or Head Office of proprietors

7) Advertising via non-material media

For the collection of stamp duties for advertising via non-material media, advertisers shall make monthly declarations at the relevant taxation centre.

8) Free distribution during trade promotion

Stamp duties on advertisement shall be payable by companies during their free distributions at trade promotions. They shall be declared and transferred to their relevant taxation centre latest on the 15th of the month following the month during which distribution was carried out.

DIVISION IV
SANCTIONS

Section C 76.- (1) Any violation of the prescriptions relating to stamp duty on advertisement shall be punished with a fine and an additional fee, with a minimum amount equivalent to the applicable amount provided for the media concerned.

(2) The total absence of records or receipt as laid down in Article 592 of the General Tax Code shall be punished with a fine equal to 50 000 CFAF with a fee of 5 000 CFAF per day of delay until presentation of the register or receipt.

(3) Registers must be presented for approval, in the quarter following that during which they were advertised, under pain of a fine of 5 000 CFAF per approval.

(4) Each item in the register must include the references for payment of stamp duty on advertising, failing which the company shall be fined 2,000 CFAF per omitted reference.

Each poster, leaflet or flyer must bear the name of the printer and the serial number of the advertisement in its register, under pain of a fine of 2 000 CFAF per omission and per poster, leaflet or flyer.

(5) Any posters, leaflets or flyers found to be in breach of the law shall be seized on the basis of a report of the offence and destroyed within three months of their seizure, in the presence of a Commission whose setting up and functioning shall be laid down by regulation.

(6) Where a billposter is caught putting up posters in a public place or a place open to the public, he shall alone be liable for payment of the duties and penalties due.

CHAPTER IX
TOURIST TAX

Section C 77.- (1) A tourist tax shall be levied on overnight stays in any classified or unclassified tourist accommodation.

(2) Tourist tax shall be payable per guest and collected by the accommodation establishment: hotels, motels, inns and furnished service apartments.

(3) Tourist tax shall be paid monthly, by the 15th at the latest for transactions carried out during the previous month, to the tax office managing the accommodation establishment.

Section C 78.- Tourist tax rates shall be fixed as follows:

- 5-star hotels: 5 000 CFAF per night;

- 4-star hotels: 4000 CFAF per night;
- 3-star hotels: 3000 CFAF per night;
- Furnished establishments and other lodging 2000 CFAF per night;
- 2-star hotels: 1000 CFAF per night;
- 1-star hotels and other unclassified accommodation establishments:500 CFAF per night:

Section C 79.- Proceeds of tourist tax shall be allocated as follows:

- State: 45%;
- Special Appropriation Account to Support the Development of
- Tourism and Leisure Activities: 35%;
- Municipality where the accommodation facility is located: 20%.

Section C 80.- (1) The procedure for controlling, collecting and disputing the tourist tax shall be laid down in the Manual of Tax Procedure.

CHAPTER X:
SPECIAL EXCISE TAX FOR THE FINANCING OF GARBAGE DISPOSAL AND TREATMENT

Section C 81.- (1) A special excise duty is instituted to finance the removal and treatment of waste for the benefit of Regional and Local Authorities, at a rate of 1% of the taxable base of all imported goods, with the exception of duty-free imports provided for in Article 276 of the Customs Code of the Economic and Monetary Community of Central Africa (CEMAC).

(2) The conditions for distributing the proceeds of this duty shall be laid down by regulation.

PART III:
ADDITIONAL COUNCIL TAXES

Section C 82.- (1) Additional council taxes are hereby instituted on the following taxes and duties for the benefit of councils:

- personal income tax;
- company tax:
- value added tax (VAT);
- excise duties;
- special income tax,
- public procurement registration fees.

(2) Tax revenue allocated to councils may be capped in the Finance Law, where necessary.

Section C 83.- (1) The rate of additional council taxes shall be 10% of the principal of the personal income tax, company tax and value added tax.:

(5) The rate of the additional council tax shall be 5% of the principal of excise duty, the special income tax and public procurement registration fees.

(6) Additional council taxes shall be calculated both on the principal and on the tax increases to which they apply and shall vary according to the tax base components.

(7) The assessment, issuance and collection as well as proceedings and claims relating to additional council taxes shall be the same as for the taxes and duties used as basis.

Section C 84.- Proceeds of additional council taxes shall be shared between the State and the body responsible for centralization and equalization, for redistribution to all councils in accordance with the criteria to be defined by a separate instrument or any other body responsible for the centralization and equalization, and councils and city councils in accordance with the terms and conditions laid down by regulation.

Section C 85.- (1) The taxes levied as business licence tax and licence fees shall be increased by 3% on the principal by way of additional taxes for the benefit of consular chambers.

(4) The additional taxes paid in this respect by business or industrial enterprises, with the exception of those specified below, shall accrue to the Chamber of Commerce, Industries, Mines and Handicrafts. The additional taxes paid by forestry and agricultural enterprise shall be transferred to the Chamber of Agriculture, Livestock and Forestry.

(5) They shall distinctly figure on business licenses and permits. They shall be collected together with the principal.

PART IV:
COUNCIL TAXES

CHAPTER I
LOCAL DEVELOPMENT TAX

Section C 86.- (1) A council tax known as the local development tax is established for the benefit of councils.

(2) This tax shall be collected for the basic facilities and services provides to the populations, notably street lighting, sanitation, refuse collection, ambulance services, drinking water supply, and electrification.

(3) Proceeds from the local development tax shall be devoted on a priority basis to the financing of the infrastructure referred to in paragraph (2) above.

a. **For public and private sector employees:**

- basic monthly salary ranging between 62000 and 75000 CFAF: 3000CFAF/ year;
- basic monthly salary ranging between 75001 and 100000 CFAF: 6000 CFAF/year;
- basic monthly salary ranging between 100001 and 125000 CFAF: 9000 CFAF/year;
- basic monthly salary ranging between 125001 and 150000 CFAF: 12000CFAF/year;
- basic salary ranging between 150001 and 200000CFAF: 15000 CFAF/year,
- basic monthly salary ranging between 200001 and 250000CFAF: 18000 CFAF/year;
- basic monthly salary ranging between 250001 and 300000 CFAF: 24,000 CFAF/year,
- basic monthly salary ranging between 300001 and 500000 CFAF: 27000 CFAF/year,
- basic monthly salary of more than 500000CFAF: 30000 CFAF/year.

b. For persons liable to discharge tax.

- principal tax equal to or less than 30000 CFAF: 7500 CFAF/year,
- principal tax ranging between 30001 and 60000CFAF: 9000 CFAF/year;
- principal tax ranging between 60001 and 100000CFAF: 15000 CFAF/year,
- principal tax ranging between 100001 and 150000 CFAF: 22500 CFAF/year,
- principal tax ranging between 150001 and 200000 CFAF: 30000 CFAF/year,
- principal tax ranging between 200,001 and 300,000 CFAF: 45000 CFAF/year,
- principal tax ranging between 300001 and 400000 CFAF: 60000 CFAF/year;
- principal tax ranging between 400001 and 500000CFAF: 75000 CFAF/year,
- principal tax of more than 500000 CFAF: 90000 CFAF/year.

Section C 87.- The local development tax shall be collected at the same time as the personal income tax, the comprehensive tax and the business licence tax.

Section C 88.- The assessment, issuance, collection, time limits, penalties, judicial proceedings and claims related to the local development tax shall comply with the procedure applicable to taxes and duties on the basis of which they are assessed.

CHAPTER II
LOCAL STAMP DUTY

Section C 89.- (1) A local stamp duty is hereby instituted.

(4) The local stamp duty shall be fixed at 500 CFAF. It shall apply to documents up to one A4 page in size, including:

- a copy or extract of civil status;
- legalization or material certification of signature or document;
- suppletive judgment
- power of attorney;
- invoices from service providers to regional and local authorities;
- any request submitted to the officials of regional and local authorities.

(5) Any document larger than the above basic size shall be liable for payment of a stamp duty of 1000 CFAF.

CHAPTER III
COUNCIL LEVIES *DIVISION*
DIVISION I
GENERAL PROVISIONS

Section C 90.- The municipal council may vote council levies for the council budget.

Section C 91.- Council levies shall comprise:

- the cattle slaughter tax;
- impoundment fees;
- market fees;
- building permit or layout fees;
- parking, parking lot and quay occupancy fees:
- council excise duty on polluting activities.

DIVISION II
CATTLE SLAUGHTER TAX

Section C 92.- The slaughter tax shall be paid by the butcher for livestock killed in slaughterhouses constructed or managed by council.

Section C 93.- The maximum rates of the slaughter tax shall be fixed as follows:

- bovine and equine livestock: 2500 CFAF per head;
- porcine livestock: 1500 CFAF per head;
- ovine and caprine livestock. 1000 CFAF per head;
- poultry and rabbits: 250 CFAF per head.

Section C 94.- (1) The slaughter tax shall be calculated and collected by State tax authorities.

(2) It shall be paid by the butcher prior to slaughter.

(4) In the event of fraudulent slaughter, the following penalties shall be imposed per head of stock killed, without prejudice to the penalties provided for by the regulations in force:

- 25000 CFAF for bovinc and equine Iivestock,

- 15000 CFAF for ovine and caprine livestock:
- 1000 CFAF for poultry and rabbits.
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DIVISION III

IMPOUNDMENT FEES

Section C 95.- (1) Stray animals, vehicles and all unattended objects or in contravention of traffic regulations may be seized and impounded, from where they may be removed only on payment of impoundment fees.

(3) Such fees may be collected only insofar as the animals vehicles and other objects found on the public highway are effectively kept by the council.

Section C 96.- (1) (1) The rates of impoundment fees shall be fixed within the following maximum limits:

- hcavy livestock: from 20000 CFAF to 50000 CFAF per head and per day.
- small livestock: from 5000 CFAF l0 15000 CEAF per head and per day.
- pets: from 5000 CFAF to 10000 CFAF per head per day:
- heavy vehicles and machines: from 50000 CFAF to 100000 CFAF per vehicle per day:
- other vehicles: from 5000 CFAF to 25000 CFAF per vehicle per day:
- motorbikes: from 5000 CFAF to 20000 CFAF per motorbike per day.
- other objects from 2000 CFAF to 5000 CFAF per object and per day.

(2) impoundment fees shall be collected by the State tax authorities

(4) The council may auction the animals, vehicles or objects that have not been claimed following a notification 30 (thirty) days following impoundment, in accordance with the regulations in force. The proceeds of the auction shall also be collected by the State tax authorities.

DIVISION IV:

MARKET FEES

Section C 97.- (1) Market fees shall be collected from regular traders and occasional vendors occupying a place in any market within the jurisdiction of a council..

(4) The rates of such fees shall be fixed taking into account differences in standard of living, specialization of the markets concerned and distance from major supply centres. Market fees must be the same for all traders, whether or not resident in the locality, and any differences in rates shall be based solely on the area occupied.

Section C 98.- (1) The municipal council shall set the fixed monthly fees applicable to permanent shops or stands built in markets.:

(3) Shops or stands may be allocated by competitive bidding or direct negotiation.

Section C 99.- (1) A contract must be signed between the permanent shop or stand occupant and the council. The contract must include the following information:

- tenant identity.
- occupant's unique identification number;
- market location(town, neighbourhood and locality);
- cadastral reference of market;
- shop number,
- surface area of premises;
- amount of monthly fee;
- lease duration;
- business type.

(3) Subletting shall be strictly forbidden. It shall be punishable by a penally of 200% (two hundred percent) of the fees due without prejudice to administrative

Section C 100.- (1) The rental rates for council shops in market spaces shall be fixed as follows:

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N°	Range of surface areas occupied by council shops	From 18.01 m² to 20 m² Range of monthly rents for council shops
1	Up to 4 m²	From 5000 CFAF to 10000 CFAF per month
2	From 4,01 m^2 to 6 m^2	From 10001 CFAF to 15000 CFAF per month
3	From 6,01 m^2 to 8 m^2	From 15001 CFAF to 20000 CFAF per month
4	From 8,01 m^2 to 10 m^2	From 20001 CFAF to 25000 CFAF per month
5	From 10,01 m^2 to 12 m^2	From 25001 CFAF to 30000 CFAF per month
6	From 12,01 m^2 to 14 m^2	From 30001 CFAF to 35000 CFAF per month
7	From 14,01 m^2 to 16 m^2	From 35001 CFAF to 40000 CFAF per month
8	From16,01 m^2 to18 m^2	From 40001 CFAF to 45000 CFAF per month
9	From 18,01 m^2 to 20 m^2	From 45001 CFAF to 50000 CFAF per month
10	From 20,01 m^2 to 22 m^2	From 50001 CFAF to 55000 CFAF per month
11	From22,01 m^2 to 24 m^2	From 55001 CFAF to 60000 CFAF per month
12	From 24 m^2	From 60001 CFAF to 70000 CFAF per month

(2) Failure to pay a term of shop rent after 15 days' notice will result in the shop being sealed, in accordance with the regulations in force.

(3) The seals may be removed only upon payment of a penalty of 5 000 CFAF in addition to the sums owed.

Section C 101. (1) The sale of goods on pavements and other public spaces, outside market places, shall be prohibited.

(4) Where the competent council establishes the occupation of pavements and other public spaces, the goods shall be impounded.

Section C 102.- Rents of market spaces shall be calculated and collected by State tax authorities.

DIVISION V:
BUILDING PERMIT OR LAYOUT FEES

Section C 103.- Building permit or layout fees shall be levied on all buildings constructed in the council headquarters or in suburbs forming part of an approved town plan.

Section C 104.- (1) The rate of building permit or layout fees voted by the municipal council for the budget shall be fixed at 1% of the value of the building.

(2) It shall apply to major renovation works as well as new buildings.

(5) The amount of the fees shall be based on an estimate approved by the technical services of the council or where applicable, those acting in lieu thereof**.**

Section C 105.- (1) Any execution of work without prior payment of fees shall render the builder liable for a penalty equal to thirty percent (30%) of the fees due.

The penalty shall be paid to the council. It shall not exempt the offending party from payment of the main building permit taxes.

(2) Failure to obtain the building or layout permit shall not lead to demolition of the building, save in the cases referred to in Section 125 of Law No. 2004 of 21 April 2004 governing town planning in Cameroon.

Section C 106.- The building permit tax shall be collected by the tax authorities. Issuance of the building permit shall be subject to payment of the tax.

DIVISION VI
PARKING SPACE, PARKING LOT AND DOCK OCCUPANCY FEES

Section C 107.- (1) The following parking lot, parking area and quay occupancy fees may be levied on private or commercial vehicles for the benefit of the council budget:

- parking spaces constructed and marked by the council;
- parking lots;
- bus stations, loading or off-loading docks.

(4) Parking lots provided for government services shall not be liable for parking space, parking lot or dock occupation fees.

(5) Administrative vehicles, ambulances and law enforcement vehicles with army, gendarmerie and national security plates shall also be exempt from parking space, parking lot and dock occupancy fees.

Section C.108.- (1) The rates of fees shall be fixed as follows:

(d) parking fees:

- 100 CFAF per hour;
- 500 CFAF per day and per parking space;
- 15000 CFAF per month and per parking space.

(e) parking lots:

- cars and vans: 1000 CFAF per day;
- trucks and buses: 2000 CFAF per hour;

(f) bus stations and landing stages:

- bus station: 250 CFAF per loading;
- landing stages:
  - non-motorized boats: 200 CFAF per loading;
  - motorized boats with less than 10 seats: 500 CFAF per loading;
  - motorized boats with more than 10 seats: 1000 CFAF per loading.

Section C.109.- (1) The above fees shall be paid in advance to State tax authorities on behalf of the council that built the facility, against an electronic receipt.

(2) Quay tickets in particular shall be paid exclusively to the council where loading takes place.

Section C 110.- Failure to pay the above mentioned fees shall entail payment of a fine of 100% of the amount of the principal due.

DIVISION VII
COUNCIL EXCISE DUTIES ON POLLUTING ACTIVITIES

Section C 111.- A council excise duty is to be instituted for councils for the following polluting activities:

- livestock transit and transhumance from neighbouring countries;
- transportation of quarry products;
- harvesting of products from non-council and non-community forests;
- any activity likely to degrade public roads and/or pavements.

Section C 112.- (1) The rates of council excise duties shall be as follows:

E. Transit and transhumance

(8) Transit fees shall be as follows:

- bovine and equine livestock: 1000 CFAF to 2000 CFAF per head and per council;
- ovine and caprine livestock: between 500 CFAF to 1000 CFAF per head and per council;
- poultry and rabbits: 250 CFAF to 500 CFAF per head and per council.

(9) Where the herds in transit stay for more than 15 days on the territory of the same council, they shall, save in case of force majeure, be considered to be on transhumance therein with effect from the 16th day.

(10) Transit tax rates shall be fixed as follows:

- bovine and equine livestock: 1000 FCFA to 2000 FCFA per council and per
- ovine and caprine livestock: 500 FCFA to 1000 FCFA per head and per council;
- poultry and rabbits: 250 FCFA to 500 FCFA per head and per council.

F. Transportation of quarry products

Rates for the transportation of quarry products shall be as follows:

- vehicles of less than 6 tonnes: 1000 FCFA per truck and per trip;
- vehicles of 6 to 10 tonnes 2000 FCFA per truck and per trip;
- vehicles of more than 10 tonnes: 3000 FCFA per truck and per trip.

G. Collection of products

The fee for the collection of products from non-council forests shall be 2000 CFAF per m³ and paid by the owner of the products collected.

H. Damage of public roads and/or pavements

(11) The public road and/or pavement damage fee shall be payable by concession holders and other contractors carrying out work on public roads, and by operators of machines not fitted with pneumatic tyres, where such work and the movement of such machines cause damage to the road and/or pavement.

(12) The rates for the damage of public roads and pavements shall be as follows:

(c) earthworks, piping and other damage:

- asphalt gravel road: 90000 CFAF to 200000 CFAF per m²;
- biturmen-coated road: 45000 CFAF to 100000 CFAF per m²;
- earth road: 15000 CFAF to 50000 CFAF per m²;
- pavement: 15000 CFAF to 50000 CFAF per m².

(d) Damage caused by tracked machines:

- bitumen-coated road. 50000 CFAF to 100000 CFAF per m²;
- earth road: 20000 CFAF to 50000 CFAF per m²;
- pavement: 20000 CFAF to 50000 CFAF per m².

(13) Offences responsible for the execution of piping or earthworks and the movement of the machincs referred to in (1) above without the prior authorization of the council shall be liable for a fine of 100% (one hundred per cent) of the principal amount due, without prejudice to the penalties provided for by the laws and regulations in force.

Section C 113.- Excise duties on polluting activities shall be collected by the State tax authorities, with the assistance of represcntatives of traditional authoritlies and decentralized State services, where necessary.

PART V:
SPECIAL PROVISIONS APPLICABLE TO COUNCILS AND CITY COUNCILS

CHAPTER I
CONDITIONS FOR THE ALLOCATION OF COUNCIL TAXES

DIVISION I
PROPERTY TAX

Section C 114.- (1) Eighty percent (80%) of the proceeds of property tax shall be allocated to councils in accordance with the provisions of Book 1 of the General Tax Code.

(2) The share of property transfer fees payable to councils shall be broken down as follows:

- 80% as withholding tax payable to the council.
- 20% as the balance centralized by the body responsible for centralization and equalization within the framework of inter-council cooperation.

DIVISION II
REAL ESTATE TRANSFER FEES

Section C 115.-(1) Eighty pcrcent (80%) of the proceeds of the property transfer fees provided for
for in Book 1 of the General Tax Code shall be paid to councils.

(2) The share of property transfer fees payable to councils shall be broken down as follows:

- 80% as deduction at source for the council;
- 20% as the balance centralized by the body responsible for centralization and equalization within the framework of inter-council cooperation.

DIVISION III
FORESTRY ROYALTY

Section C 116.-(1) A share of the proceeds of forestry royalties shall be paid to councils.

(2) The share provided for in (1) above shall be fixed by the Finance Law.

(3) The share of annual forestry royalties shall be broken down as follows:

- 50% as deduction at source for the council;
- 50% as the balance centralized by the body responsible for the centralization and equalization of the proceeds of taxes, duties and levies paid to councils.

(5) The centralized balance of the annual forest royalty shall be distributed to all councils, according to the conditions laid down by regulation.

DIVISION IV
STAMP DUTY ON ADVERTISING

Section C 117.- (1) Twenty percent (20%) of the proceeds of the stamp duty on advertising referred to in Section 592 of the General Tax Code shall be paid to councils follows:

(2) The share referred to in (1) above shall be broken down as follows:

- 50% as deduction at source for the council;

- - 50% as the balance centralized by the body responsible for the centralization and equalization of proceeds of taxes, duties and royalties due to councils.

DIVISION V
STAMP DUTY ON VEHICLES

Section C 118.- Proceeds of the stamp duty on vehicles provided for in Book 1 of the General Tax Code shall be allocated in full to the body in charge of centralization and equalization, for redistribution to councils.

DIVISION VI
TOURIST TAX

Section C 119.- Twenty percent (20%) of the proceeds of tourist tax shall be allocated to the council of the place where the facility is located.

CHAPTER II:
DISTRIBUTION OF TAXES AND DUTIES BETWEEN CITY COUNCILS AND SUBDIVISIONAL COUNCILS

Section C 120.- City councils and subdivisional councils shall receive the same revenue as councils, subject to the provisions of Section C 101 below.

Section C 121.- (1) The fiscal revenues of the city council shall comprise:

- proceeds of business licence tax and licence fees;
- proceeds of additional council taxes;
- proceeds of vehicle stamp duty derived from equalization;
- proceeds of the local development tax;
- proceeds of parking, parking lot and quay occupancy fees;
- proceeds of the rental of spaces developed in city council markets;
- proceeds of subdivisional council impoundment fees;
- proceeds of building permit and layout fees;
- proceeds of local stamp duty paid to city councils;

(2) The tax revenue of subdivisional councils shall include:

- proceeds of the simplified comprehensive tax;
- proceeds of local stamp duty paid to sub divisional councils;
- proceeds of additional council taxes;
- proceeds of forest royalties derived from equalization;
- proceeds of tax on quarrying;
- proceeds of ad valorem tax on spring water, mineral water and thermomineral water and from tax on quarrying;
- proceeds of cattle slaughter fees;
- proceeds of the rental of spaces developed in subdivisional council markets;
- proceeds of parking, parking lot and quay occupancy fees
- proceeds of subdivisional council impoundment fees;
- proceeds of fees on the transportation of quarry products;
- proceeds of the transit or transhumance fee.

(3) The tax revenue shared between the city council and the subdivisional council shall include:

- proceeds of property tax, at the rate of:
  - 40% for the city council

- ❖ 40% for the subdivisional council;
- ❖ 20% for the body responsible for centralization and equalization.

- proceeds of property transfer fees, at the rate of:
  - ❖ 40% for the city council;
  - ❖ 40% for the subdivisional council;
  - ❖ 20% for the body responsible for centralization and equalization.

CHAPTER III
INTER-COUNCIL AND EQUALIZATION TAX REVENUE

Section C 122.- (1) Twenty percent (20%) of the procceds of the following council taxes shall be deducted and allocated to the body responsible for centralization and equalization for redistribution among all councils, in accordance with the criteria to be defined by a separate instrument or to any other body responsible for centralization, to finance council, city council and council union projects:

- proceeds of additional council taxes:
- proceeds of business licence taxes;
- proceeds of license fees;
- proceeds of property tax;

(2) Proceeds of the following local taxes shall be centralized and redistributed to all councils and city councils as equalization:

- the share of stamp duty on advertising allocated to councils;
- 42% of additional council taxes;
- 50% of the share of annual forest royalties allocated to councils;
- 100% of automobile stamp duty;
- 100% of the local development tax paid by public and semi-public sector employees, as well as by companies under the body responsible for the management of "large enterprises".

Section C 123.- (1) A share of the proceeds referred to in Section C101 shall be redistributed to councils and city councils in accordance with the criteria and conditions laid down by regulation.

(3) Council unions and other council groupings may receive financial assistance from the abovementioned body, under the same conditions as councils.

PART VI
REGIONAL TAXES AND LEVIES

CHAPTER I
GENERAL PROVISIONS

Section C 124.- (1) Proceeds of the following taxes, duties and royalties shall be paid to the regions:

- a share of the transferable balance of oil and gas royalties:
- a share of mining royalty
- a share of the special tax on petroleum products,
- a share of the resources of the Sustainable Development Fund for the Financing of Water and Sanitation Projects,
- airport stamp duty (ASD);
- stamp duty on vehicle certificates;
- a share of radio frequency usage fees;
- stamp duty on vehicle registration certificates;

- a share of the resources derived from the annual gaming fee.
- the local stamp duty paid to the region.

(3) The tax revenue allocated to the regions may be capped in the Finance Law, as and when necessary.

CHAPTER II
OIL AND GAS ROYALTY

Section C 125.- (1) Without prejudice to the provisions of Law N° 2019/008 of 25 April 2019 to institute the Petroleum Code and Law No. 2012/06 of 19 April 2012 to institute the Gas Code, a share of the transferable balance of oil and gas royalties shall be paid to the regions.

(2) The regional share of the oil and gas royalties referred to in (1) above shall be collected by the body responsible for the centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution, in accordance with criteria to be laid down in a separate instrument.

CHAPTER III
MINING ROYALTIES

Section C 126.- A share of the proceeds of the ad valorem tax on mineral substances provided for in Book 1 of the General Tax Code shall be granted in full to the body responsible for the centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with the criteria to be defined by a separate instrument.

CHAPTER IV
SPECIAL TAX ON PETROLEUM PRODUCTS

Section C 127.- (1) A share of the special tax on petroleum products provided for in Book I of the General Tax Code shall be allocated to regions, in accordance with the annual ceiling set by the Finance Law.

(2) The regional share of the proceeds of the special tax on petroleum products referred to in (1) shall be granted in full to the body responsible for centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with criteria to be laid down in a separate instrument.

CHAPTER V
PROCEEDS OF THE SUSTAINABLE DEVELOPMENT FUND FOR WATER AND SANITATION PROJECTS

Section C 128.-(1) Notwithstanding the provisions of Law No. 98/005 of 14 April 1998 on the water regime, a share of the resources of the Fund for the financing of sustainable water and sanitation development projects shall be allocated to the Regions.

(3) The resources of the Fund provided for in (1) above shall be collected by State tax authorities and granted in full to the body responsible for centralization and equalization within the framework of inter-council and inter- regional cooperation for redistribution among all the regions, in accordance with the criteria to be defined by a separate instrument.

CHAPTER VI
AIRPORT STAMP DUTY

Section C 129.- The proceeds of the airport stamp duty provided for in Book I of he General Tax Code shall be granted in full to the body responsible for the centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with criteria to be laid down in a separate instrument.

CHAPTER VII
STAMP DUTY ON THE VEHICLE REGIS7RATION CERTIFICATE

Section C 130.- Fifty percent (50%) of the proceeds of the stamp duty on vehicle registration certificates provided for in Book I of the General Tax Code shall be granted to the body responsible for Centralization and equalization within the framework of the mutual council and regional support arrangements, for redistribution among all the regions, in accordance with the criteria to be defined by a separate instrument.

CHAPTER VIII
RADIO FREQUENCY FEES

Section C 131.-(1) Without prejudice to the provisions of Law No. 2010/013 of 21 December 2010 governing electronic communications, as amended and supplemented by Law No. 2015/006 of 20 April 2015, 60% (sixty percent) of the proceeds of radio frequency usage fees shall be allocated to the regions.

(2) The fees provided for in (1) above shall be collected by the tax administration.

(3) The regional share of radio frequency usage fees shall be granted in full to the body responsible for centralization and equalization within the framework of the inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with criteria to be laid down in a separate instrument.

CHAPTER IX
TAX ON GAMES OF CHANCE

Section C 132.- (1) Without prejudice to the provisions of Law No. 2010/013 of 21 December 2010 governing electronic communications, as amended and supplemented by Law No. 2015/006 of 20 April 2015, 60% (sixty percent) of the proceeds of radio frequency usage fees shall be allocated to the regions

(2) The share of proceeds of the fees provided for in (1) above shall be collected by the Tax Administration and granted in full to the body responsible for the centralization and equalization within the framework of inter-council and inter-regional cooperation for redistribution among all the regions, in accordance with criteria to be laid down in a separate instrument.

PART VII
CONDITIONS FOR ALLOCATION AND DISTRIBUTION
CHAPTER I
RESOURCES ALLOCATED DIRECTLY TO REGIONS

Section C 133.- The following taxes and duties shall be allocated directly to regions under the following conditions:

- 100% of proceeds of stamp duty on vehicle registration certificates;
- 20% of proceeds of the share of oil, gas and mining royalties for the benefit of neighbouring regions, as a basic withholding amount.

CHAPTER II
INTER-REGIONAL COOPERATION AND EQUALIZATION TAX REVENUE

Section C 134.- (1) Thirty percent (30%) of proceeds of the following taxes of regional and local authorities shall be deducted and granted to the body in charge of centralization and equalizalion within the framework of inter-council and inter-regional cooperation for the financing of regional projects:

- proceeds of the oil and gas royalties allocated to regions,

- proceeds of the mining tax allocated to regions,
- proceeds of the special tax on petroleum products allocated to regions
- proceeds of the Sustainable Development Fund for water and sanitation projects allocated to regions;
- proceeds of airport stamp duty;
- proceeds of radio frequcncy usage fees allocated to regions;
- proceeds of the annual gaming fee.

(2) The following procecds of local taxeş shall be centralized and redistributed to all regions for equalization purposes:

- 50% of proceeds of oil, gas and miníng royalties allocated to regions.
- 70% of proceeds of the Special Sustainable Development Fund for Water and Sanitation Projects
- 70% of proceeds of the annual gaming and entertainment fee;
- 70% of proceeds of airport stamp duty.
- 70% of proceeds of the share of the special tax on petroleum products allocated to regions,
- 70% of proceeds of the share of the radio frequency usage fee allocated to regions.

PART VIlI
TAX PROCEDURES SPECIFIC TO LOCAL TAXES
CHAPTERI
GENERAL PROVISIONS

Section C 135.- The provisions of the Manual of Tax Procedures of the General Tax Code shall apply, mutatis mutandis, to the taxes, duties and levies of regional and local authorities, subject to the specificities provided for in the said Code.

SECTION C 136.- The issuance and collection of local taxes shall not be subject to concession, under pain of nullity.

CHAPTER II:
OBLIGATIONS OF TAXPAYERS

I-PRE-REGISTRATION OBLIGATION

Section C 137.- Any natural or legal person liable to pay a local tax shall be required to file for pre-registration under the conditions laid down in Book I of the General Tax Code.

II-OBLIGATION TO FILE RETURNS

Section C 138.- (1) Local tax, additional council tax and royalty returns for regional and local authorities shall be filed in due time and form under the law.

(2) Any taxpayer liable for council taxes who fails to file a return in due time under this law shall be reminded to do so in due time and form as per the Manual of Tax Procedures of the General Tax Code.

CHAPTER III
ISSUANCE OF LOCAL TAXES

Section C 139.- (1) Local taxes shall be subject to prior issuance of a notice of assessment or a notice of collection, as the case may be.

(2) Without prejudice to the provisions of (1) above, the taxation services of the State may, based on information at their disposal, send a pre-filled return to any taxpayer liable for council taxes, duties, levies and royalties, in accordance with the procedures provided for in the Manual of Tax Procedures.

CHAPTER IV
COLLECTION OF LOCAL TAXES

1-PAYMENT OF TAXES

Section C 140.- (1) Council taxes shall be paid voluntarily by taxpayers in the same manner as State taxes.

(2) The proceeds of local taxes, duties, levies and royalties levied and collected by public taxation services shall be distributed and transferred by the relevant services of the Treasury.

(3) Local taxation centres and individual taxpayers shall be bound to provide the RLA$_S$ of their jurisdiction and the body responsible for the centralization and equalization of inter-council and inter-regional cooperation with information and data on local taxes, duties, levies and royalties at intervals, in accordance with the procedures laid down in a separate instrument, in particular forecasts and actual amounts of issues and collection of all the revenue earmarked for them.

Section C 141.- (1) Any person liable to pay a local tax must do so in the tax revenue office in due time and form under the law.

(2) Payment of local taxes shall be made by electronic means, telepayment, bank transfer or in cash at authorized financial institutions.

(3) Payment receipts shall be generated electronically.

(4) The conditions for ordering, receiving and managing local tax values shall be laid down by law.

DIVISION II
CONTROL

Section C 142.- Local taxes shall be controlled by the relevant State services, under the conditions provided for in the Manual of Tax Procedures. However, some control operations may be organized jointly by the relevant State and RLA services.as scheduled jointly.

DIVISION III
FORCED RECOVERY

Section C 143.- Failure to pay local taxes in due time shall lead to forced recovery, in accordance with the Manual of Tax Procedures of the General Tax Code, unless otherwise provided for under special provisions of this law.

DIVISION IV
PRESCRIPTION

Section C 144.- (1) The amounts owed by taxpayers as local taxes, duties, levies and royalties shall be time-barred after a period of 4 (four) years beyond due date where no other decision predates the limitation deadline.

(2) However, the limitation deadline provided for in (1) above shall be 2 (two) years for council royalties.

(3) Limitation shall be granted to regional and local authorities against any application for the refund of the amounts paid beyond a period of 2 (two) years from the date of payment of taxes, duties, levies and royalties.

CHAPTER V

LOCAL TAX DISPUTES

I- CONTENTIOUS JURISDICTION

Section C 145.- (1) Local tax disputes shall be governed by the rules and procedures laid down in the Manual of Tax Procedures of the General Tax Code.

II-NON-CONTENTIOUS JURISDICTION

Section C 146.- (1) Non-contentious jurisdiction shall be governed by the rules and procedures laid down in the Manual of Tax Procedures of the General Tax Code.

CHAPTER VI
PENALTIES

Section C 147.- Failure to pay local taxes in due time and form under the law shall lead to application of the penalties provided by the Manual of Tax Procedures of the General Tax Code, unless otherwise specifically provided herein.

PART IX
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section C 148.- (1) The Cornmon Decentralization Fund (DGD) referred to in Section 25 of Law No. 2019/024 of 24 December 2019 to institute the General Code of Regional and Local Authorities refers to the resources transferred to regional and local authorities as budgetary allocations for the partial financing of decentralization

Tax transfers to regional and local authorities forming part of their own internal tax system shall be excluded from the Common Decentralization Fund referred to in (1) above.

Section C 149.- (1) The share of State revenue allocated to the aforementioned Common Decentralization Fund shall be calculated on the basis of the cash-based budget revenue of the general State budget, net of VAT Credit refunds.

(4) The budget revenue referred to in (1) above shall comprise tax revenue, customs revenue and non-tax revenue, including oil and gas revenue.

(5) Loans and grants, as well as suspense receipts and earmarked revenue, shall be excluded from the calculation of the portion of the State revenue referred to in (1) above.

Section C 150.- (1) To ensure control of the tax base, legal and physical surveys of plots, buildings, occupants, and related activities shall be conducted in conjunction with local councils, sector government services and bodies, and the tax administration, using a map. Such operations, also known as "cadastral surveys", shall be organized in accordance with the conditions laid down, by law.

(5)

Section C 151.- This law, which repeals the provisions of Law No. 2009/019 of 15 December 2009 relating to local taxation, shall be transposed into the General Tax Code and the implemented progressively.

Section C 152.- This law shall be registered published according to the procedure of urgency and inserted in the Official Gazette in English and French..**/-**

Yaoundé, 23 December 2024

PAUL BIYA

PRESIDENT OF THE REPUBLIC, (ed)

ORDINANCE N°2025/002 of 18 JULY 2025
to lay down investment incentives in the Republic of Cameroon.

THE PRESIDENT OF THE REPUBLIC,

Mindful of the Constitution ;

Mindful of Law n° 2013/004 of 18 April 2013 to lay down private incentives in the Republic of Cameroon, as amended and supplemented by Law No. 2017/015 of 12 July 2017;

Mindful of Law No. 2013/011 of 16 December 2013 governing Economic Zones in Cameroo n;

Mindful of Law No. 2017/011 of 12 July 2017 to lay down the general rules and regulations governing public corporations;

Mindful of Law No. 2018/011 of 11 July 2018 to lay down the Cameroon Code of Transparency and Good Governance in public finance management;

Mindful of Law No. 2018/012 of 11 July 2018 relating to fiscal regime of the State and other public entities;

Mindful of Law No. 2023/008 of 25 July 2023 to lay the general regime of public-private partnership contracts;

Mihdful of Law No. 2024/013 of 23 December 2024: the finance law of the Republic of Cameroon for the 2025 financial year,

HEREBY ORDAINS AS FOLLOWS:

ARTICLE 1.- (1) This ordinance lays down investment incentives in the Republic of Cameroon, applicable to Cameroonian or foreign natural or legal persons, whether or not established in Cameroon, in respect of the exercise of their activities or their participation in the capital of Cameroonian companies or in the financing of investment projects in Cameroon, with a view to encouraging investment and boosting national production.

(2) The purpose of this ordinance shall be to facilitate, promote and attract productive investment. As such, it shall aim at developing activities geared towards promoting strong, sustainable and shared economic growth as well as employment.

PART I
GENERAL PROVISIONS

ARTICLE 2.- (1) The provisions of this ordinance shall apply to investment projects relating to the creation and expansion of activities. These investment projects shall include "new projects" and "expansion projects".

(2) lnvestment projects initiated by public companies operating in competitive sectors shall also be eligible for the provisions of this ordinance.

ARTICLE 3.- (1) The investment sectors eligible for the benefits provided for in this law shall be laid down in accordance with national strategic priorities, in particular those relating to the following sectors:

a. agriculture, livestock and fisheries sector;
b. heavy industry, automotive and manufacturing sector;
c. water and energy sector;
d. education and health sector;
e. air, rail and maritime transport sector;

f. tourism and leisure sector;
g. large-scale distribution infrastructure sector;
h. digital data storage and processing infrastructure sector.

(2) The provisions of this ordinance shall not apply to investments made in the following: large-scale distribution infrastructure sector;

a. sectors governed by special instruments, in particular the upstream oil sector, mining sector and gas sector;
b. trade and distribution sector.

ARTICLE 4.- Any investor seeking the benefits provided for in this ordinance shall be bound to comply with all applicable laws and regulations.

ARTICLE 5.- For the purposes of this law and the implementing instruments arising therefrom, the following definitions shall apply:

- **“special temporary admission”:** Customs procedure authorizing temporary importation of equipment, re-exportation for a specific purpose and with partial relief from customs duties and taxes;
- **"provisional operating authorization":** document issued prior to the end of the five-year establishment phase, as part of the operationalization of partially completed investments, allowing the tax and customs regime of the operation phase to be applied to the portion of investments already made, with the establishment phase regime continuing. to apply to other investments to be made, within the agreed time limit;
- **"force majeure":** any external and unpredictable event that is beyond the Control of the parties, whose occurrence makes it impossible for the party under an obligation to fulfil such obligation;
- **"investment agreement":** document signed between the investor and the Government, represented by the body responsible for promoting investment, with a view to benefiting from the incentives provided for in this ordinance,
- **"economic difficulties":** unpredictable circumstances which, while not rendering the implementation of the project impossible, significantly affects it;
- **"shipment":** act of moving goods or having them moved, out of Cameroon to a country within the same customs territory:
- **"exportation":** act of moving any goods or having them moved to a country not within the same customs territory;
- **"project expansion":** increase in the production capacity of an existing business, resulting in particular from the acquisition of new equipment, the expansion of facilities or the implementation of new technologies, thereby enabling an increase in the quantity of goods produced or production diversification,
- **"incentives":** special benefits granted by government authorities to a resident or non-resident natural or legal person, to promote and/or develop a specific activity;
- **"industry":** any economic activity involving the transformation of raw materials or semi-finished products into finished products through an industrial process that substantially changes the nature, form or function of such products;
- **"input"** item used in producing a semi-finished or finished product (raw material, labour, etc.);
- **"investment":** asset held and/or acquired by an investor (company, shares, equity, bonds, monetary claims, intellectual property rights, contractual rights, rights conferred by law and regulations, any other tangible or intangible asset, movable or immovable property, all related ownership rights);
- **"foreign direct investment (FDI)":** investment made by a resident entity in one economy in another economy, aimed at establishing a business, branch or subsidiary,

with the aim of acquiring a lasting interest and exercising significant influence over its management;

- **"domestic investment":** investment made by an entity resident in an economy, whose assets originate from sources within that economy;
- **"investor":** resident or non-resident Cameroonian or foreign natural or legal person that acquires assets in the conduct of business for profit;
- **"inward processing":** customs procedure allowing goods intended for processing, working or repair and subsequent export to be admitted into a customs territory with suspension of import duties and taxes;
- **"establishment phase":** period not exceeding 5 (five) years during which the infrastructure and facilities essential for setting up and developing a production unit are built. Such period may be adjusted according to the actual period spent in some sectors of activity;
- **"operation phase":** period during which production activities are effectively carried out, which starts to run:

a. for new investments, automatically, upon or before the end of the establishment phase, once marketing or sale of products begins, as ascertained by the body in charge of investment promotion, with copies forwarded to the tax and customs authorities;

b. for enterprises already established in Cameroon and carrying out new investments, once the said investments become operational as ascertained by the body in charge of investment promotion;

- **"new project":** project initiated by a newly established company aged less than 1 (one) year at the date of application. Any project carried out by an existing company in a sector distinct from that of its initial activity is also considered a new project;
- **"land reserves"** land forming part of the private property of the State or other legal entities governed by public law, pending allocation for projects;
- **"added value"** creation or increase in value of goods and services from other sources by an enterprise in carrying out its day-to-day professional activities. It is calculated as the differential between the production of the period plus the gross profit on goods, and the consumption of goods and services supplied by others for such production;
- **"economic zone":** area consisting of one or more geographical areas that have been serviced, equipped with infrastructure and made ready for use, with a view to enabling the entities established therein, to produce goods and services under optimal conditions;
- **"priority development area":** geographically defined territory intended to receive specific and priority support from government authorities for its economic and social development. Priority Development Areas (PDAs) are laid down by regulation.

PART II
ELIGIBILITY CRITERIA
CHAPTER I
COMMON ELIGIBILITY CRITERIA

ARTICLE 6.- (1) Eligibility for the benefits provided for in this ordinance shall be subject to any investor carrying out an activity that is duly authorized by the competent authority and falls within the sectors listed in Article 3 above.

(2) The investor shall also be required to provide the following documentation:

a. a programme for the development of local skills and technology transfer, a plan for the priority recruitment of Cameroonian workers and the priority use of local subcontractors and contractors;

b. proof of the availability of the necessary financing to carry out the planned investments. Such availability shall be evidenced by supporting documents relating to the investor's financial capacity to cover all the estimated costs of the investment. The following, in particular, shall be admissible for this purpose:

- certificates of financing capacity issued by a credit institution or financing body;
- loan or financing agreements, including intra-group loans and current account agreements, duly registered;
- letters of intent to finance or financing agreements from reliable financial partners;
- proof of fundraising initiated on the financial market by a market intermediary duly authorized by its regulator;
- any other document establishing the financial soundness of the project.

CHAPTER II
SPECIFIC ELIGIBILITY CRITERIA
1- SPECIFIC ELIGIBILITY CRITERIA FOR NEW PROJECTS

ARTICLE 7.- Companies developing new projects, as laid down in Article 4 of this ordinance, shall benefit from the incentives provided for in the said ordinance, provided that they fulfil at least 2 (two) of the following criteria:

- creating direct jobs for Cameroonians during the establishment and operation phases. The minimum number of jobs required shall be determined based on the size of the company and the sector of activity, with a threshold of at least one job per planned investment tranche of 50 (fifty) million CFA francs. The assessment of the number of jobs shall take into account the size of the company, the sector or branch of activity as well as the possible use of local subcontractors;
- for industrial sector projects, use domestic natural resources amounting to at least 50% (fifty per cent) of the value of inputs, excluding labour, water, energy and telecommunications, save where the competent authorities establish their unavailability;
- for projects in the large-scale retail infrastructure sector, guaranteeing the marketing of at least 40% (forty per cent) of products of Cameroonian origin;
- increasing the added value by at least 30% (thirty per cent);
- carrying out export and/or shipping operations for locally manufactured finished products, corresponding to at least 25% (twenty-five per cent) of turnover excluding taxes.

II- SPECIFIC ELIGIBILITY CRITERIA FOR EXPANSION PROJECTS

ARTICLE 8.- (1) Companies expanding an ongoing project shall be eligible for the incentives provided for in this ordinance.

(2) To benefit from these incentives, besides increasing the production of goods and services by at least 20% (twenty per cent) compared to production prior to the signing of the agreement, the corporations referred to in (1). above must meet one of the following eligibility conditions:

- creating Cameroonian direct jobs at a rate of one job per planned
- investment tranche of 50 (fifty) million CFA francs;
- for industrial sector projects, use domestic natural resources amounting

- to at least 50% (fifty per cent) of the value of inputs, excluding labour, water, energy and telecommunications, save where the competent authorities establish their unavailability;
- increasing the staff strength by at least 20% (twenty per cent) as against pre-implementation.

PART III
TAX AND CUSTOMS INCENTIVES

ARTICLE 9.- lncentives shall be granted to the investor during the establishment and operation phases.

CHAPITRE I
COMMON TAX AND CUSTOMS INCENTIVES FOR INVESTMENT

SECTION I
TAX AND CUSTOMS INCENTIVES FO R N EW P ROJ ECTS

ARTICLE 10.- New projects approved under the common initiative regime of this ordinance shall be granted the tax and customs benefits listed below, during the establishment phase, which may not exceed 5 (five) years, with effect from the date of issuance of the approval:

a. Customs duties and taxes:

- exemption from customs duties and taxes on imports of materials and equipment directly related to the investment programme;
- direct removal on import of materials and equipment directly related to the investment programme, subject to the operation being bonded;

b. Domestic taxes:

- exemption from registration duties on leases of buildings used exclusively for business purposes and which form an integral part of the investment programme;
- exemption from transfer duties on the acquisition of buildings, land and structures essential to the implementation of the investment programme;
- exemption from registration duties on equipment supply contracts and on the construction of buildings and facilities required to implement the investment programme;
- exemption from registration duties on concession contracts;
- exemption from registration duties on deeds of incorporation or capital increase;
- Value Added Tax (VAT) exemption on services related to project implementation and foreign-sourced;
- VAT exemption on imports of equipment and materials related to the investment programme;
- VAT exemption on interest on loans related to the investment programme;
- exemption from property tax on estates, whether built-on or not, forming part of the site dedicated to the project;
- exemption from business licence tax for the duration of the establishment phase.

SUB-SECTION II
OPERATION PHASE 1

ARTICLE 11.- New projects approved under the common initiative regime of this ordinance shall be granted the tax and customs benefits listed below, during the operation phase, which may not exceed 5 (five) years:

1. **Category A:** investment projects of less than 1 (one) billion CFA francs

a. Customs duties and taxes:

- 5% (five percent) reduction in customs duties on imports of materials, equipment and spare parts directly related to the investment programme;
- direct removal on imports of materials, equipment and parts directly related to the investment programme, subject to the operation being bonded;
- exemption from export duty on locally manufactured finished products.

b. Domestic taxes:

- tax credit on profits, equivalent to 25% (twenty-five percent) of the amount of investments made, up to a maximum of half the profit declared for the financial year concerned. Such credit may be carried forward for up to 5 (five) years. For investment projects carried out in priority development areas, it shall be increased to 30% (thirty percent);
- deferral of losses over the 5 (five) years following the year when recorded;
- application of an accelerated depreciation rate, corresponding to twice the normal rate, for investments.

2. **Category B: Investment projects of between 1 (one) billion CFA francs and 5 (five) billion CFA francs**

a. Customs duties and taxes:

- 5% (five percent) reduction in customs duties on imports of materials, equipment and spare parts directly related to the investment programme;
- direct removal on imports of materials, equipment and parts directly related to the investment programme, subject to the operation being bonded;
- exemption from export duty on locally manufactured finished products.

b. Domestic taxes:

- tax credit on profits, equivalent to 50% (fifty percent) of the amount of investments made, up to a maximum of half the profit declared for the financial year concerned. Such credit may be carried forward for up to 5 (five) years. For investment projects carried out in priority development areas, it shall be increased to 55% (fifty-five percent);
- deferral of losses over the 5 (five) years following the year when recorded;
- application of an accelerated depreciation rate, corresponding to twice the normal rate, for investments.

3. **Category C: investment projects of over 5 (five) billion CFA francs**

a. Customs duties and taxes:

- 5% (five percent) reduction in customs duties on imports of materials, equipment and spare parts directly related to the investment programme;
- removal on imports of materials, equipment and spare parts directly related to the investment programme, subject to the operation being bonded;
- exemption from export duty on locally manufactured finished products.

b. Domestic taxes:

- tax credit on profits, equivalent to 75% (seventy-five percent) of the amount of investments made, up to a maximum of half the profit declared for the financial year concerned. Such credit may be carried forward for up to 5 (five) years. For investment projects carried out in priority development areas, it shall be increased to 80% (eighty percent);

- deferral of losses over the 5 (five) years following the year when recorded;
- application of an accelerated depreciation rate, corresponding to twice the normal rate, for investments.

ARTICLE 12.- Companies carrying out new projects under the joint incentives regime of this ordinance shall, beside the tax and customs benefits provided for in Article 11 above, shall be granted the following facilities when located in Priority Development Areas:

a. Customs duties and taxes:

- lnward Processing Regime provided for by the regulations in force;
- Special Temporary Admission regime for imports of materials and equipment intended for re-export;
- exemption from import duties and taxes on spare parts;
- 50% (fifty percent) reduction in custom duties and taxes on imports of raw materials not available locally;
- waiver of the Report on Value and Tariff Classification (RVC) and related fees during the establishment phase.

b. Domestic taxes:

- VAT exemption on business leases and real estate transfer deeds for investments made in Priority Development Areas;
- exemption from employer's contribution on salaries paid to employees;
- exemption from State fees.

SECTION II
TAX AND CUSTOMS INCENTIVES FOR EXPANSION PROJECTS

ARTICLE 13.- Existing companies benefiting from the joint incentive regime set out in this ordinance, which carry out expansion projects as part of an existing project, shall, for a period not exceeding 5 (five) years from the date of approval, enjoy the following benefits:

a. Customs duties and taxes:

- 5% (five percent) reduction in customs duties on imports of materials, equipment and spare parts directly related to the investment programme;
- direct removal on imports of materials, equipment and spare parts directly related to the investment programme, subject to the operation being bonded;
- exemption from export duty on locally manufactured finished products.

b. Domestic taxes:

- tax credit on profits, equivalent to 25% (twenty-five percent) of the amount of investments made, up to a maximum of half the profit declared for the financial year concerned;
- deferral of lasses over the 5 (five) years following the year when recorded;
- VAT exemption on interest on loans related to the investment programme;
- application of an accelerated depreciation rate, corresponding to twice the normal rate, for investments.
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CHAPTER II
SPECIFIC TAX AND CUSTOMS INCENTIVES FOR ECONOMIC ZONES

ARTICLE 14.- Economic zone managers and companies established in these zones shall benefit from the incentives provided for in Articles 10 and 11 above, for new projects set up in these areas, during the establishment and operation phases.

ARTICLE 15.- Besides the tax and customs incentives in Articles 9 and 10 above, economic zone managers and companies established in these zones shall be granted the following benefits for their new projects:

- an operation phase extended to 7 (seven) year;
- inward Processing Regime provided for by the regulations in force;
- Special Temporary Admission for imports of materials and equipment intended for re-export;
- waiver of the Report on Value and Tariff Classification (RVC) and related fees during the establishment phase.

CHAPTER III
SPECIFIC TAX AND CUSTOMS INCENTIVES FOR PUBLIC-PRIVAT E PARTNERSHIP CONTRACTS

ARTICLE 16.- Incentives for public sector contracting partners shall be specific to the design, implementation and operation phases of the investment project, in accordance with the provisions of Law No. 2023/008 of 25 July 2023 to lay down the general regime of public-private partnership contracts.

SECTION I
TAX AND CUSTOMS INCENTIVES DURING THE DESIGN AND IMPLEMENTATION PHASES

ARTICLE 17.- Contracting partners of the public entity shall benefit from the following tax and customs incentives during the design and implementation phases:

a. Customs duties and taxes:

- Customs duties and taxes on materials, equipment and spare parts imported to execute the contract and released for consumption shall be charged to the State budget or that of the contracting public entity;
- Special Temporary Admission for imports of materials and equipment likely to be re-exported and intended for the execution of the contract being charged to the State budget or that of the contracting public entity and corresponding to the stay of said materials and equipment on national territory;
- direct removal of imports of materials, equipment and spare parts intended for the execution of the contract, subject to the contracting public entity's moral guarantee of the operation;
- waiver of the Report on Value and Tariff Classification (RVC).

b. Domestic taxes:

- VAT on local purchases and imports of equipment and materials related to the investment programme charged to the State budget or that of the contracting public entity or the State, subject to a moral guarantee by the contracting public entity;
- free registration of agreements and deeds sig ned during the investment project implementation phase.

SECTION II
TAX AN D CUSTOMS I NCENTIVES D U R I NG THE OPERATION P HASE

ARTICLE 18.- During the first 5 (five) years of the operation phase, the public entity's contracting partners shall enjoy the following tax and customs benefits:

a. Customs duties and taxes:

- customs duties and taxes on materials, equipment and spare parts imported for the execution of the contract and released for consumption shall be paid by the State budget or the contracting public entity;
- Special Temporary Admission for imports of materials and equipment likely to be re-exported and intended for the execution of the contract, with the State budget or the contracting public entity paying the duties and taxes corresponding to the stay of said materials and equipment on national territory;
- direct removal on imports of materials, equipment and spare parts intended for the execution of the contract, subject to the contracting public entity's moral guarantee of the operation.

b. Domestic taxes:

- 5 (five) percentage point reduction in the corporate tax rate during the first 5 (five) years of operation;
- free registration of agreements and instruments adopted during the first 5 (five) years of operation;
- a carry-forward of losses over the 5 (five) financial years following the year in which they were incurred;
- application of an accelerated depreciation rate, corresponding to twice the normal rate, for their investments.

PART IV

FINANCIAL, ACCOUNTING AN D ADMINISTRATIVE INCENTIVES

CHAPTER I

ORDINARY LAW FINANCIAL AND ADMINISTRATIVE INCENTIVES

ARTICLE 19.- (1) Subject to the fulfilment of their legal obligations, community foreign exchange regulations and tax law, investors shall be authorized to:

- open and operate accounts in local and foreign currency, both in the Republic of Cameroon and abroad;
- collect and dispose of, within the legal time limits, funds acquired or borrowed abroad, including revenues from their operations and other proceeds from invested capital, as well as proceeds from the liquidation or sale of their assets;
- collect and freely transfer dividends, interest and proceeds from the transfer of shares, repayment of contributions or any other liquidation proceeds in case of disinvestment.

(2) Expatriate staff employed by the investor and resident in the Republic of Cameroon shall enjoy free conversion and free transfer to their country of origin of all or part of amounts due them, subject to prior payment of various taxes and contributions, in compliance with the regulations in force.

ARTICLE 20.- (1) Any investor applying for the incentives provided for under this ordinance shall benefit from a simplified system for administrative authorizations relating to their activities during the validity period of the approval decision.

(2) To this end, he shall benefit from the services of the One Stop-Shop established within the incentives management body, in particular for:

- authorizations to operate;
- access to import-related administrative documents;
- requisite approvals to implement investment programmes, including the list of materials and equipment to be imported;
- visa - facilitation for domestic and foreign staff (entry or exit visas, residence permits, work visas);
- obtaining waivers provided for by the laws and regulations in force;
- access to public facilities and services required for the smooth implementation of the investment programme set out in the approval document.

CHAPITRE II
SPECIFIC ACCOUNTING INCENTIVES FOR PARTNERSHIP AGREEMENTS

ARTICLE 21.- (1) Public-private partnership agreements shall be subject to the accounting regime applicable in Cameroon.

(2) The accounting regime referred to in (1) above shall be governed by the State's accounting standards compendium, the State's Accounting Plan and the General Rules and Regulations Governing Public Accounting.

ARTICLE 22.- (1) The public contracting authority may deduct from its taxable profits the depreciation calculated using a preferential straight-line method for depreciable assets used in the course of its operations.

(1) The starting point for calculating the depreciation period provided for in (1) above shall be the actual operation's commencement date.

ARTICLE 23. - The deferred depreciation regime in deficit periods shall also apply to accelerated depreciation.

ARTICLE 24.- (1) The value of structures and equipment funded by the public contracting authority and falling within the category of returnable assets in a public-private partnership agreement paid for by public funds shall be accounted for as a debt owed to the latter by the public authority.

(2) The repayment of said debt shall be calculated in annual instalments spread from the first year of operation of the investment's structures and equipment until, at the latest, the end of the contract. Such instalments shall constitute the investment component of the rent owed to the public contracting authority.

(3) The procedures and conditions of payment of the annual instalments referred to in (2) above shall be laid down by instruction of the Director General of Treasury, Financial and Monetary Cooperation. Such conditions shall take into account the specific features of the public-private partnership agreement.

ARTICLE 25.- (1) The value of the structures and equipment funded by the public contracting authority and falling under the category of returnable assets, in concession-type public-private partnership agreements shall feature each year as an asset on the latter's balance sheet, under fixed assets granted in concession by the concessionaire.

(2) The fixed assets referred to in (1) above shall be depreciated on a straight-line basis over the operating period, or over three quarters of such period, as depreciation write-down. This depreciation shall be calculated based on the acquisition cost or the cost price of the first asset

acquired or constructed.

(3) Additionally, renewable assets shall be depreciated in accordance with the applicable State accounting plan, except for their final replacement before the end of the contract.

(4) The cost difference between the value of the renewed asset and its initial cost shall be offset by establishing a renewal provision.

(5) The cumulative depreciation write-down from the start of operation shall be recorded as a liability in the balance sheet of the concessionaire's company, under an equity account entitled "Grantor's rights payable in kind: concession by the concessionaire.

ARTICLE 26.- (1) The value of the returnable assets made available to the cocontractor by the public entity shall be fixed in the partnership agreement and shall feature each year on the asset side of the co-contractor's balance sheet as assets placed under concession by the grantor.

(2) The same value shall be entered on the liability side under "Grantor's · Rights." Both accounts shall be reduced annually by a corresponding amount reflecting asset depreciation, which may, under no circumstances be included in the profit and loss statement.

(3) The terms and conditions for their potential renewal shall be defined in the public-private partnership agreement, enabling the concessionaire to account for the corresponding provisions.

ARTICLE 27.- (1) The entry fee paid by the concessionaire to the grantor shall be a cash payment not corresponding the financing of a tangible or intangible asset. financial statements as provided for in the General Tax Code.

(2) The import duty shall be depreciated in the concessionaire's financial statements as provided for in the General Tax Code.

ARTICLE 28.- (1) The accounting treatment for mixed public-private partnership agreements shall follow the concession-type model as defined above.

(2) Public payments associated with such agreements shall be treated as balancing subsidies.

(3) Any ancillary revenue included in a public-private partnership agreement involving public payments shall not justify its reclassification as a mixed agreement.

PART V
ONE-STOP-SHOP AND GRANT OF INVESTMENT AGREEM ENTS
CHAPTER I
ONE-STOP-SHOP

ARTICLE 29.- (1) A One-Stop Shop, hereinafter referred to as "the One-Stop Shop," shall be set up within the investment promotion body.

(2) Under the authority of the director general of the body in charge of investment promotion, the One-Stop-Shop shall be responsible for facilitating the administrative procedures for investors to obtain the incentives provided for in this ordinance.

(3) To perform the facilitation mission referred to in (2) above, the One-Stop Shop shall comprise representatives of the Ministries responsible for the incentives provided for in this ordinance.

(4) The organization, composition and operating conditions of the One-Stop-Shop shall be specified by regulation.

CHAPTER II
INVESTMENT AGREEMENT

ARTICLE 30.- (1) With the exception of companies approved under the economic zone regime and holders of public-private partnership agreements, any investor seeking the incentives provided for in this ordonnance shall be required to sign an investment agreement with the investment promotion body. To this end, the investor shall submit an application to the One-Stop-Shop set up within the said body.

(2) The composition of the application file referred to in (1) above shall be laid down by a separate instrument of the investment promotion body, upon consultation with the competent technical Ministries.
(3) The One-Stop-Shop shall issue a deposit slip to the investor concerned. lt shall have 10 (ten) working days to review the file.
(4) Once the file has been reviewed, an investment agreement shall be drawn up and signed by the investment promotion body.
(5) The agreement thus drawn up shall be submitted for mandatory review by the representatives of the tax and customs authorities within the One-Stop Shop, duly appointed by the minister in charge of finance.

ARTICLE 31.- (1) The investment agreement signed between the investor and the Government of the Republic of Cameroon, represented by the investment promotion body, shall include the following clauses:

- business name;
- Single Identification N umber (SIN);
- business purpose, scope, location and the time limit for investment programme implementation and spin-offs;
- duration of the regime granted, specifying the establishment phase and operation phase;
- benefits granted to the beneficiary;
- commitments to the State and, where applicable, other special obligations;
- provisional list of materials and equipment to be imported;
- purpose of the investment project;
- specific control terms and conditions to which the company shall be subject, including the investment programme, amount, staffing, wages, production, exports project timeline;
- penalties for failure to honour commitments.

(2) The approval document or agreement may not be renewed for the same project.
(3) However, a company with which an agreement has already been signed may apply for a new one for a different project involving an activity distinct from the initially approved activity, provided that it maintains separate accounts for each project.

PART VI
MANAGEM ENT, CONTROL, PENALTIES AND DISPUTE SETTLEMENT
CHAPTER I
MANAGEMENT OF FACILITIES GRANTED

ARTICLE 32.- (1) Any company benefiting from the incentives provided under this ordinance must submit an annual report of the year ended to the investment promotion body, copied to the Audit and Appeals Committee, as well as the tax and customs authorities, within three (3) months from the start of each financial year. The report must detail the implementation status of the investment program me and include data demonstrating the achievement of the objectives that served as eligibility criteria.
(2) The annual report shall be reviewed against the eligibility criteria and the use of the incentives granted in the agreement.
(3) Late submission or failure to submit the annual report by 31 March of the financial year, except for public contracting authorities, shall attract a fine of one million CFA francs per month for each month of delay.

ARTICLE 33.- (1) During the establishment and operation phases, benefitting from customs facilities provided for in this ordinance shall be subject to the prior and joint validation of the provisional lists of materials and equipment to be imported. The said items must be directly related to the investment programme and validated by the approving authority, with the mandatory opinion of the customs administration representative.

(2) Benefitting from customs facilities under public-private partnership agreements, as set out in Articles 17 et seq of this ordinance, shall be subject to prior joint approval of the provisional list of materials and equipment intended for contract execution by the co-contractor, the project

owner and the customs administration.

(3) At the request of the approving authority, the companies concerned shall have 10 (ten) working days after signing the agreement to produce the said lists.

(4) lmports of raw materials, industrial inputs and vehicles shall be excluded from the incentives granted under this ordinance.

(5) lmports of goods with locally manufactured equivalents shall also be ineligible for the customs facilities provided under this ordinance, except in cases of proven shortage in domestic production, duly certified by the relevant technical Ministry.

ARTICLE 34.- (1) Where the establishment phase is completed before the 5 (five) years provided for in the agreement signed between the investment promotion body and the investor, an "investment completion certificate" shall be issued by the said body to the investor following a joint assessment visit with tax and customs authorities as well as every other body concerned with the investment project. This certification shall mark the end of the establishment phase and a transition to the operation phase.

(2) The investment promotion body or bodies may issue a "temporary operation authorization" to any investor wishing to begin operating part of their investment before the end of the 5 (five)-years establishment phase, following a joint assessment visit by the tax and customs authorities and all other relevant bodies. The authorization shall allow taxes and customs duties applicable to the operational phase to be applied to completed investments, while those still in progress shall remain subject to the fiscal regime of the establishment phase, within the contractual deadlines.

ARTICLE 35.- Partial or total tax exemption, suspension of import customs duties and taxes on material or equipment, shall only be implemented after payment of the portion of duties and taxes calculated during import.

CHAPTER II
MONITORING AND CONTROL

ARTICLE 36.- (1) Any investor granted the incentives under this ordinance, except for holders of public-private partnership agreements and companies approved under the economic zone regime, whose control is subject to specific instruments, must meet the eligibility criteria within the following timeframes:

- for investors who were granted approval at the establishment phase, no later than the end of this phase;
- for investors already established in the Republic of Cameroon, with in 5 (five) years of commissioning of new investments.

(2) However, the body that issued the approval may, where necessary, following joint assessment with tax and customs authorities, and relevant technical entities, following the mandatory opinion of representatives of tax and customs services at the One-Stop Shop, extend such period in the event of duly established and justified force majeure or economic difficulties.

(3) The extended deadline referred to in (2) above may not exceed 2 (two) years and shall be non-renewable.

ARTICLE 37.- (1) The investments promotion body, in collaboration with tax and customs authorities, as well as competent technical entities, may control and assess approved companies.

(2) The control referred to in (1) above shall focus on:

- compliance of investments with the announced programme;
- control of commitments made in the investment agreement;
- verification of supporting documents for imports and local purchases carried out under the conditions specified in the approval, based on, the investment programme submitted by the company and referenced in the said approval;
- the effectiveness of the grant of funds announced in investment agreement;
- jobs created.

(3) An investment agreement may be revoked by the issuing authority if the investor fails to meet their commitments or if the incentives are used for purposes other than those set out in the investment programme. Such revocation shall result in the withdrawal of granted incentives. In such case, the tax and customs authorities shall collect any evaded taxes, together with applicable penalties, in accordance with the Customs Code and the General Tax Code.

ARTICLE 38. (1) Notwithstanding the provisions of Article 37 above, the tax and customs authorities shall, in the exercise of their activity be jointly or individually responsible for ensuring that the incentives granted under this ordinance are used for their intended purpose.

(2) ln the event of misuse of the incentives or proven fraud, the tax and customs authorities shall collect all applicable taxes, duties and levies, together with any related penalties, in accordance with the relevant provisions of the Customs Code and the General Tax Code.

CHAPTERIII
AUDIT AND APPEALS COMMITTEE

ARTICLE 39.- (1) An independent authority referred to as Audit and Appeals Committee, hereinafter the Committee, shall be set up within the investments promotion body.

(2) The Committee shall be responsible for:

- ex post control and, as required, review of approvals issued by the One- Stop Shop, following an established frequency;
- examining claims filed by investors relating to the benefit of the tax, customs and administrative incentives provided for by this ordinance;
- ensuring compliance of investments with the announced programme and contractual commitments;
- coordinating activities of the Ministries represented in the technical unit.

(3) The Committee shall be assisted by a secretariat and a technical unit.

(4) The secretariat shall ensure administrative monitoring of the Committee's work, including preparing sessions and drafting minutes.

(5) Under the authority of the Committee, the technical unit shall be responsible for effective monitoring of investments. To this end, it:

- shall carry out necessary investigations;
- shall submit an annual evaluation report to the Committee;
- may intervene, as appropriate, before the end of the investment phase, during the operational phase, or in the event of an extension of the granted benefits.

(6) A separate instrument shall lay down the organization and functioning of the Committee, as well as the control procedures carried out.

CHAPTER IV
DISPUTE SETTLEMENT AND PENALTIES

ARTICLE 40. (1) Apart from investors who have signed public-private partnership agreements and companies approved under the economic zone regime, investors granted the incentives provided for by this ordinance must, in the event of a dispute, seize the Audit and Appeals Committee referred to in Article 39 above, for amicable settlement.

(2) The parties shall have 30 (thirty) days from the referral to the Audit and Appeals Committee to conduct and finalize the amicable settlement procedure.

(3) The amicable settlement procedure shall be sanctioned, in the event of an agreement, by a conciliation report or, failing that, by a non-conciliation report.

(4) Failing an amicable settlement, disputes may be referred to the competent Cameroonian courts or arbitration bodies recognized by the State of Cameroon.

ARTICLE 41.- (1) Investors benefiting from the incentives provided for under this ordinance, with the exception of those bound by a public-private partnership agreement, shall be liable to administrative, fiscal and financial penalties in the event of failure to meet the eligibility criteria objectives. Such penalties may take the form of a fine or withdrawal of the approval.

(2) Subject to the provisions of Article 36 above, any presumed fraud or improper use of tax or customs incentives, as established in an official report, shall trigger a procedure with the following timeframes:

- the investor shall have 10 (ten) days to provide an explanation for the alleged shortcomings;
- government services shall have 10 (ten) days to notify their final decision.

(3) The government service's final decision may be:

- discontinuation of the procedure;
- imposition of a fine based on the seriousness of the confirmed shortcomings;
- suspension of incentives for a period not exceeding 6 (six) months;
- automatic withdrawal of incentives, without prejudice to the imposition of the fiscal, customs and criminal penalties provided for by the regulation in force;
- investment below one billion CFA francs: 10 (ten) million CFA francs;
- investment between one billion and 5 (five) billion CFA francs: 15 (fifteen) million CFA francs;
- investment above 5 (five) billion CFA francs: 25 (twenty-five) million CFA francs.

ARTICLE 42. (1) The penalties provided for in Article 41 above may be applied only after a formal notice has remained unheeded for a period of fifteen (15) days.

(2) The formal notice provided for in (1) above shall be issued following administrative channels or by a bailiff.

ARTICLE 43.- Apart from holders of a public-private partnership agreement, investors granted the incentives provided for in this ordinance shall be liable to penalties where they refuse or obstruct the control of their facilities by duly approved administrative officials.
ARTICLE 44.- Notwithstanding the provisions relating to the control, litigation and penalties referred to above, the provisions applicable to public-private partnership agreements shall be those set out in Law No. 2023/008 of 25 July 2023 to lay down the general regime of public-private partnership contracts.

PART VII
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

ARTICLE 45.- The State shall ensure that the incentives granted to investors are stable in accordance with this Ordinance, throughout the period provided for by the instrument or agreement granting such incentives.
ARTICLE 46.- Any enterprise benefiting form an approval in accordance with this Ordinance, shall have the right to obtain the same incentives as those granted subsequently to any other investor operating in the same sector and engaged in the same type of business under the same conditions.
ARTICLE 47.- (1) The investors benefiting from a previous regime shall maintain their benefits, without any possible amendment to the duration of the agreement, until expiry of the validity of the said regime. However, they may apply for the incentives provided for in this ordinance for the remainder of the initial regime, provided that they fulfil the requisite conditions without concurrent benefits. In such case, the may be admitted to the regime provided for by this ordinance only after prior verification by the competent authority of use of the previous incentives.
(2) An approved investor may not change the place of its establishment without prior notification to the authority in charge of investments.
ARTICLE 48.- (1) The approved investor shall be subject to the payment of an annual royalty to the body in charge of investments, corresponding to 0.1% of the investment amount, with a ceiling of 5 (five) million CFA francs and a minimum of 100 000 (one hundred thousand) CFA francs.
(2) In addition to royalties and fines allocated to the investments promotion body and the Audit and Appeals Committee, they shall benefit from funds assigned to investment promotion in Cameroon, at the rate of 25% of resources collected as contributions to the Cameroon Housing Loans Fund instituted by Law No. 77/10 of 13 July 1977.
(3) The conditions for the distribution of the funding referred to in (1) and (2) above shall be laid down by order of the minister in charge of finance, after approval by the Prime Minister's Office.
ARTICLE 49.- Investors approved under the incentive regime provided for in this ordinance shall be required to comply with the regulations in force to combat money laundering and terrorism financing.
ARTICLE 50.- Pending the establishment of the One-Stop Shop and the Audit and Appeals Committee, the existing bodies shall remain competent to process approval applications and appeals
ARTICLE 51.-All previous provisions repugnant hereto are repealed, in particular those of Law No. 2008/009 of 16 July 2008 to lay down the fiscal, financial and accounting system applicable to partnership contracts and Law No. 2013/004 of 18 April 2013 to lay

down private investment incentives in the Republic of Cameroon, as amended and supplemented by Law No. 2017/015 of 12 July 2017.

ARTICLE 52.- This ordinance shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French. /-

Yaoundé, 18 July 2025

PAUL BIYA
PRESIDENT OF THE REPUBLIC,

LAW No. 2025/012 OF 17 DECEMBER 2025
FINANCE LAW OF THE REPUBLIC OF CAMEROON FOR THE 2026 FINANCIAL YEAR

CHAPTER TWO
PROVISIONS RELATING TO THE GENERAL TAX CODE

SECTION 23: The provisions of Sections 1, 5 a, 5 b, 5 c, 7, 7 a, 17 c, 18, 21, 21a (new), 22, 23 a, 42, 52 (new), 55, 57, 58 (new), 65 a, 68, 69, 72, 73, 87, 91, 92, 92 a, 93 b, 93 c, 93 f, 93 g, 93 h, 95, 95 a, 96, 105, 105 a, 111, Section 116 c, 116 e, 118, 119, 121, 124 c (new), 124 d (new), 124 e (new), 124 f (new), 124 g (new), 124 h, 124 i, 127, 128, 128 a, 131 a, 134, 142, 149, 149 a, 228 f to 228 i, 240 a, 243, 577 to 584, 589 to 593, M 2 a, M 2 b, M 3 a, M 6 b, M 6 c, M 8 a, M 8 e (new), M 9, M 11, M18, M19, M20 a, M 28 a, M 30 a, M34, M 42, M 94 c, M 94 f, M 97, M 99, M 102, M105 c (new), Sections M 105 d, M 114 a, M 116, M 125 c, C 10, C 11, C 15, C22 a, C37, C38, C39, C41, C44, C46, C53, C 55, C58 to C70, C71, C77 to C79, C86, C 100 a, C 119 a, C 121, C122, C 124, C 128, C 129, C 131, and C132 of the General Tax Code are amended and/or supplemented as follows**:**

INTRODUCTORY PROVISIONS
GENERAL PROVISIONS

Section 1:

(1) ………………………………………..

(2) ……………………………………….

(3) ……………………………………….

(4) **Book** III (Sections C.1 to C. 1151) codifies the provisions of Law No. 2024/020 of 23 December 2024 on local taxation which repeals Law No. 2009/019 of 15 December 2009.

The rest shall remain unchanged**.**

BOOK I
TAXES AND DUTIES
PART I
DIRECT TAXES
CHAPTER I
CORPORATE INCOME TAX
DIVISION III
TAXABLE PROFITS

Section 5a: (1) The following shall be deemed to be operating in Cameroon;

- ………………….. ;

non-resident enterprises that can provide evidence of a significant economic presence in Cameroon.

(2) The profits of the undertakings that do not fulfil the conditions referred to in (1) above shall be taxable in Cameroon where they carry out, directly or through third parties, activities that form a full business cycle, understood as a coherent set of economic operations carried out within the national territory, forming an autonomous process of purchase or production of goods or services followed by their resale, and likely to generate taxable profit.

(3) Operations carried out abroad by an enterprise whose registered office or effective management is located in Cameroon shall also constitute a complete commercial cycle where, by their purpose or method of execution, they cannot be dissociated from operations conducted within the national territory.

Section 5b: (1) A non-resident enterprise shall be deemed to have a significant economic presence in Cameroon, comparable to a digital permanent establishment, if it has a substantial and dematerialised connection with the national territory, characterised by exceeding one of the following quantitative thresholds during a financial year:

a. the total amount of gross remuneration invoiced in return for the provision of digital services to customers or users based in Cameroon exceeds 50 000 000 (fifty million) CFA francs;

b. the number of users, customers or account holders based in Cameroon exceeds 1 000 (one thousand.

(2) The concept of digital services shall include, but not limited to:

a. the provision of on-demand digital content (streaming, downloading, online gaming and subscriptions);

b. online advertising and customer or user monetization services;

c. intermediation services for electronic marketplaces (commission fees);

d. cloud computing, data hosting and software as a service (SaaS) services;

e. any other service provided or facilitated through an electronic network or digital application.

(3) The assessment of the thresholds referred to in (1-a) of this Section shall take into account all payments made by or on behalf of Cameroonian residents, including those made through third party entities.

(4) The location of the customer or user in Cameroon shall be determined based on technical (IP addresses, geolocation and SIM country code) or commercial (billing address, Cameroonian bank information) indices that establish the effective use of the service within the territory.

Section 5c: (1) Subject to applicable international tax treaties, international agreements, and the principle of reciprocity, air and maritime navigation enterprises, whether established in Cameroon or abroad, shall be subject to Corporate Income Tax (CIT) on their profits earned in Cameroon, in accordance with the principle of territoriality.

(2) The terms and conditions for implementing this section shall be laid down by law.

(1) **Section 7:** Net taxable profit shall be established after deduction of all charges directly entailed by the exercise of activities subject to assessment in Cameroon, in particular:

A – Overhead expenses

All types of overheads, expenses on staff, labour, offices, equipment and furniture, sundry and exceptional expenditure, insurance premiums, acts of liberality, gifts and subsidies.

However, the following expenses shall be treated as follows:

1- Sundry remunerations and provision of services;

2- Rental expenditure.

The amount for rentals granted to a company shall be regarded as part of the expenses on condition that it is not exaggerated in comparison with the rentals usually paid for similar property or facilities.

However, where a partner, whether a natural person or legal entity, has at least 25% of the holdings or shares of a company, the proceeds from the rentals other than those from the property granted to such company shall not be considered as deductible expenses provided that the said rentals are effective and within the limit of 2.5% of the taxable profit before deduction of the expenses in question.

For the implementation of this provision, the holdings or shares held as property or as usufruct by the spouse, relatives in the ascending or descending line of the partner, shall be deemed to belong to the partner.

The rest shall remain unchanged.

C – Actual losses

The following shall be deductible from profits:

- actual losses on items of fixed or realizable assets, exception:
  - ……………………………… ;
- losses due to bad debts for which all ways and means of amicable or forced recovery provided for by the OHADA Uniform Act Organizing Simplified Recovery Procedures and Enforcement Measures have been exhausted.

However, losses due to bad debts of an amount less than 500 000 CFA francs which has been provisioned over a minimum period of 5 (five) years shall be deducted automatically, without having to justify the exhaustion of the amicable or forced recovery procedures provided for by the regulations in force. This amount is increased to:

- 3 000 000 CFA francs for credit establishments;
- 1 000 000 CFA francs for microfinance establishments.

The rest shall remain unchanged.

D- Depreciation

Depreciation actually computed in consideration of the probable period of usage according to the norms of each operation, including those which might have already been deferred in times of deficit without using rates which may not exceed those fixed below.

However, for assets subject to a leasing contract, the tax depreciation period shall be aligned with the duration of the financing contract.

Depreciation rates specific to certain sectors may be fixed by a separate joint instrument of the ministers in charge of finance and the sector concerned.

Depreciation deferred regularly during a deficit period must be charged from the first surplus financial year. In any case, their deduction may not be allowed beyond a period of ten years.

E - Provisions

Provisions constituted to cover clearly specified losses or expenses rendered probable by the course of events, provided that they have been duly recorded in the annual accounts for the financial year.

Besides the general conditions for deducting the provisions provided for above, the provisions for doubtful debts must:

- ………………………………….. ;

For the specific case of credit and microfinance establishments, with the exception of provisions for bad debts whose allocation is optional, the deduction of provisions for bad debts and doubtful commitments shall be spread over:

- ………………………………….. ;
- ………………………………….. ;

The rest shall remain unchanged.

Section 7a: By way of derogation from Sections 6 and 7 of this Code, the taxable profit of non-resident enterprises with a significant economic presence arising from digital activities carried out in Cameroon shall be determined on a lump-sum basis at 10% (ten per cent) of the gross income generated within the Cameroonian territory.

DIVISION VI:
CALCULATION OF TAX

Section 17c: (1) The corporate income tax payable by digital sector enterprises with a significant economic presence in Cameroon shall be calculated by applying a rate of 3% (three per cent) to the total gross income earned within the Cameroonian territory.

(2) The tax thus calculated constitutes a minimum assessment. It shall be final and discharge the taxpayer from any further corporate income tax liability in Cameroon in respect of the income subject to this lump-sum taxation.

(3) By way of derogation from the provisions of (1) and (2) above, the enterprises concerned may opt to have their corporate income tax calculated by applying the standard rate of 30% (thirty per cent) to the actual net profit determined in accordance with Section 7a above.

(4) The option to be subject to the standard rate of taxation shall be subject to the following conditions:

d. written notification to the Tax Administration before the beginning of the financial year concerned;

e. be irrevocable for a minimum period of 5 (five) fiscal years;

f. submission, at the time of filing the annual return, of complete transfer pricing documents justifying the determination of the net taxable profit in Cameroon and the allocation of costs and expenses in accordance with the arm's length principle.

(5) In all cases, the amount of corporate income tax payable may not be less than the amount resulting from the application of the 3% (three per cent) rate provided for in (1) above.

DIVISION VII
OBLIGATIONS OF TAXPAYERS

Section 18: (1) Concerning the assessment of the tax base, taxpayers are required to file a return of the results of their business venture for the period used as the basis for taxation no later than:

- 15 March for taxpayers falling under the entity responsible for large taxpayers;
- 15 April for taxpayers falling under medium-size enterprise taxation centres and specialized taxation centres;
- 15 May for taxpayers falling under local and individual taxation centres.

The said return shall be submitted in accordance with the OHADA accounting system or, for sectors governed by specific regulations, in accordance with the accounting standards provided for in the relevant instruments, in particular the Inter-African Conference on

Insurance Markets (CIMA) framework for insurance companies and the Central African Banking Commission (COBAC) framework for credit and microfinance establishments.
(2) Liable taxpayers must also provide the documents prepared in accordance with the OHADA Chart of Accounts or, where applicable, the relevant specific accounting standards, including the CIMA framework for insurance companies and the COBAC framework for credit and microfinance establishments.
(3) ………………………………………………………………………………………..
(4) Enterprises approved under a derogatory or special tax regime shall, within the same period, file a summary return of the operations for which they have benefited from an exemption, tax coverage, tax reduction or any other form of tax relief, together with the theoretical taxes corresponding to those operations.
Where they are not newly established, approved enterprises shall be required to keep separate accounts for operations relating to the approved investment project and to file a specific statistical and fiscal return for that project. The terms of implementing this obligation shall be specified in a separate instrument issued by the Minister in charge of finance.
The rest shall remain unchanged.

DIVISION IX
PAYMENT

Section 21: (1) Corporate income tax shall be paid voluntarily by the taxpayer no later than the fifteenth day of the following month, in accordance with the following terms and conditions:

a. ……………………………………………………………….. ;
b. ……………………………………………………………….. ;
c. ……………………………………………………………….. ;
d. For persons subject to the simplified system, one instalment representing 2% of turnover realized during each month and paid no later than the 15th day of the following month. Such instalment shall be increased by 10% for additional council tax.
e. ……………………………………………………………….. ;
f. For non-resident enterprises in the digital sector, 3% of the gross amount of the income generated within the Cameroonian territory.

The rest shall remain unchanged.
(3) The following shall be subject to advance payment:

- imports by traders, including those subject to the comprehensive tax system;
- ………………………………………. ;
- ………………………………………. ;
- transactions carried out by enterprises not listed in the file of active taxpayers of the General Directorate of Taxation;
- purchases of goods and services made by distributors, business partners and telephone, digital and similar service providers.

The following shall not be subject to a withholding tax:

- ………………………………………. ;
- ………………………………………. .

The advance payment rate shall be fixed at:

- ………………………………………. ;
- ………………………………………. ;

Purchases made by non-professionals directly from industrialists or in bulk from importers who are not distributors, shall be deemed to have been made for resale purposes. As such, they shall be subject to advance payment on purchase at a rate of 10%.

- 5% of the amount of transactions carried out, for traders falling under the comprehensive tax system as well as by taxpayers falling under the discharge tax system;

- ……………………………………………………. ;
- 2% of the amount of transactions, for traders subject to the actual earnings tax system;

The rest shall remain unchanged.

Section 21a (new): Notwithstanding the provisions of Section 21 of this Code, enterprises operating in the telephone sector, including those carrying out related telecommunications, data transmission or similar digital services activities, shall pay monthly advance corporate income tax based on actual receipts collected during the relevant month.

DIVISION IX
TAXPAYERS' OBLIGATIONS

Section 22: (1) ……………………………………………………………………..

(2) The amount of tax owed by each company or council shall not be less than the tax resulting from the application of the 2% or 14% rate to the reference base as defined in Section 23 below.

This minimum tax shall be increased by 10 % as levy for additional council tax.

This amount shall be the minimum corporate income tax payable.

Regarding taxpayers subject to the simplified tax system, however, this rate shall be increased to 5%... (deleted).

The rest shall remain unchanged**.**

(2) DIVISION XI
SPECIFIC OBLIGATIONS OF NON-RESIDENT COMPANIES IN THE DIGITAL SECTOR WITH A SIGNIFICANT ECONOMIC PRESENCE IN CAMEROON

Section 23 a: (1) The corporate income tax payable by digital sector companies with a significant economic presence shall be assessed and electronically filed by the non-resident company concerned.

(2) The non-resident company shall file a monthly return of its gross turnover generated in Cameroon and pay the tax due no later than the 15th day of the month following that in which the taxable event occurred.

(3) The tax administration shall establish a secure electronic portal for the registration, filing and payment of corporate income tax by digital sector companies with a significant economic presence.

(4) The companies referred to in (1) above shall be subject to the obligations and penalty regime provided for in Section 149 c of this Code and the provisions of the Manual of Tax Procedures.

(5) An instrument issued by the Minister in charge of finance shall specify and, where necessary, supplement the **terms and conditions of implementing this provision.**

CHAPTER II
PERSONAL INCOME TAX
DIVISION II
BASIS OF ASSESSMENT OF THE PERSONAL INCOME TAX
SUBDIVISION II
INCOME FROM MOVABLE CAPITAL
I – TAXABLE INCOME

D. Profits from the disposal of shares, bonds and other equity interests

Section 42: The net aggregate capital gains realized in Cameroon or abroad from the direct or indirect disposal of shares, bonds and other equity interests in companies governed by Cameroonian law, including those relating to natural resources, by natural or legal persons, shall be subject to tax as income from movable capital.

Indirect disposals of shares, equity interests or bonds in enterprises governed by Cameroonian law shall include:

4. any disposal carried out in Cameroon or abroad between two foreign companies belonging to the same consolidation group, where one of such companies holds, directly or indirectly, all or part of the capital of a company governed by Cameroonian law;

5. any transaction or series of transactions, including those carried out through interposed entities, which directly or indirectly results in the transfer of ownership or control of a company holding assets located in Cameroon;

6. any restructuring, merger, demerger, partial transfer of assets or any similar transaction resulting in a change in the ownership or control of assets held in Cameroon**.**

SUBDIVISION IV
HANDICRAFT, INDUSTRIAL AND COMMERCIAL PROFITS
II- DETERMINATION OF THE TAXABLE BASE

Section 52 (new): (1) The taxable profit of taxpayers liable to the simplified system referred to in Section 93 (c) below and whose turnover is equal to or more than 10 million and below 30 million shall be calculated on the basis of the operating results posted on the taxpayer's accounts kept according to the minimum cash flow system…………………………………… (deleted).

Where the taxpayer's turnover is above 30 million and below 50 million, the taxable profit shall be the gross surplus of revenue minus the operating expenses calculated according to the simplified system.………………………………….. (deleted).

In the absence of a return or accounting records, the tax base shall be determined by applying the profit rate fixed by decree to the turnover reconstructed by the Tax Administration on the basis of the actual information available to it.

(2) The taxable profit of taxpayers liable to the simplified taxation system shall be the gross surplus of revenue minus the operating expenses……………………. (deleted).

(3) Deductible business expenses for assessing the net income of non-salaried commercial representatives or agents shall be fixed at 30% of the gross income, unless expenses incurred are duly substantiated.

(3) ***SUBDIVISION V***
AGRICULTURAL PROFITS
I- **TAXABLE INCOME**

Section 55 (new): The profit of farmers subject to the simplified regime shall consist of the surplus income from crop and livestock production, and other products minus the expenses incurred during the financialyear…………………………………….. (deleted).

Such an assessment shall take into account the production held in stock at the end of the financial year, as well as the depreciation of fixed assets under the conditions set out in Section 7-D of this Code. ……………………………….. (deleted).

The rules for assessing capital gains set out in Sections 8 to 10 of this Code shall also apply……………………………………..(deleted).

SUBDIVISION VI
NON-COMMERCIAL PROFITS
II - DETERMINATION OF THE TAX BASE

Section 57: Except for liberal professions, profits of taxpayers liable to the simplified taxation system shall consist of the surplus of total receipts minus the expenses necessitated by professional practice.……………………………… (deleted).

The rest shall remain unchanged**.**

Section 58 (new): For individuals engaged in passenger transport via a digital platform, taxable income shall be fixed at 20% of the gross amount received per trip.

SUBDIVISION VII
PROVISIONS COMMON TO HANDICRAFT, INDUSTRIAL, COMMERCIAL, AGRICULTURAL AND NON-COMMERCIAL PROFITS

Section 65 a: Where, in the course of a financial year, a taxpayer realized an income which, by its nature, may not be made available to him annually and where the amount of such special income exceeds the average net incomes on the basis of which the taxpayer was liable to the Personal Income Tax for the previous three years, the tax payable by the person concerned shall be calculated by adding one quarter of the net special income to his net taxable income and multiplying the additional tax thus obtained by four.

Where the amount of the exceptional income is above the income threshold subject to the marginal rate of personal income tax, the tax payable by the taxpayer is calculated on the basis of the overall net taxable income, plus the net exceptional income after a 35% allowance.

The rest shall remain unchanged.

SUBDIVISION IX
TAXABLE EVENT AND TAX LIABILITY

Section 68: (1) Personal income tax becomes payable, in respect of wages, salaries, pensions and life annuities, income from securities and rental income, at the time such income is placed at the disposal of the taxpayer.

The rest shall remain unchanged.

DIVISION III
TAX CALCULATION

Section 69: (1) ……………………………………………………………………………. ;

(2) For taxpayers earning industrial and commercial profits, non-commercial profits referred to in Section 56 (2) a, b, c, agriculture profits and real estate income, the tax shall be calculated by applying the rate provided for in Section 17 of this Code.

The tax thus calculated shall not be less than 2% of the current year's turnover, increased by 10 % as levy for additional council tax.

The minimum tax rate referred to above shall be increased to 5% for taxpayers subject to the simplified tax regime.. (deleted).

Section 72: The tax per vehicle payable by road transport operators subject to the simplified tax system shall be equal to one quarter of the highest taxable amount provided for Category C discharge tax multiplied by the number of seats.

The tax thus calculated shall imply full exemption from Personal Income Tax and Value Added Tax.

However, such transport operators shall remain liable to the business licence tax. (deleted).

DIVISION IV
ACCOUNTING OBLIGATIONS

Section 73: (1) Taxpayers subject to the simplified regime shall keep their accounts in accordance with the minimum cash flow accounting system provided for by the OHADA Uniform Act on Accounting Law and Financial Information ……………. (deleted).

The rest shall remain unchanged.

DIVISION VI
METHODS OF COLLECTION
SUBDIVISION III
REAL ESTATE INCOME

Section 87: A 10% deduction at source shall be levied on gross real estate income calculated in compliance with the provisions of Section 48 of this Code.

The withholding tax shall be levied exclusively by public services and establishments, legal entities and sole proprietorships subject to the actual system of assessment, the comprehensive tax regime or the regime for non-profit-making organizations (NPOs) that appear on a list established by regulation.

The following shall be exempt from this tax deduction at source:

- rents paid to entities authorized by the Minister in charge of finance to deduct at source;
- rents paid by taxpayers subject to the comprehensive tax system to landlords subject to the actual earnings system.

SUBDIVISION IV
HANDICRAFT, INDUSTRIAL, COMMERCIAL, AGRICULTURAL AND NON COMMERCIAL PROFITS

Section 91: The taxpayer shall voluntarily pay the personal income tax at the taxation centre with jurisdiction, using special forms provided by the Tax Administration, as follows:

(1) Simplified tax system.

A 5% deduction of the turnover of each month shall be paid no later than the 15th of the following month. This deduction shall also be increased by 10 % for additional council tax……………… (Deleted).

(2) Actual earnings taxation system.

An initial payment of 2% of the monthly turnover shall be due no later than the 15th of the following month. This shall be based on a return made on a form provided by the Tax Authority, which shall acknowledge receipt.

However, for enterprises subject to the actual earnings or simplified tax systems and operating in regulated profit margin sectors, the turnover used to calculate the corporate income tax instalment shall be determined as set out in Section 21 above.

The rest shall remain unchanged.

Section 92: The instalments referred to in Section 91 above shall be deducted at source by public accountants and persons of equivalent status when settling bills paid from the budget of the State, regional and local authorities, public establishments, public or semi-public corporations as well as non-profit organizations and private sector enterprises, the lists of which shall be established by regulation.

Notwithstanding the provisions of Section 91 above, the rate of deduction as instalment on personal income tax shall be fixed as follows:

- 5% increased by 10% as additional council taxes (ACT), regardless of the service provider's tax regime, for invoices relating to public procurement of an amount less than 5 million CFA francs;
- . 2%, increased by 10% for the additional council taxes (ACT), for taxpayers under the comprehensive tax system

Article 92 a: A 5% instalment shall be deducted at source by the State, regional and local authorities, administrative public establishments, public or semi-public companies, private enterprises and non-profit organizations on the fees, commissions and emoluments paid to members of liberal professions, irrespective of their legal form or tax system.

The deduction referred to above shall also be applied to remunerations for occasional or non-occasional services granted to natural and legal persons resident in Cameroon and subject to the simplified tax or the comprehensive tax systems.

CHAPTER III
GENERAL AND COMMON PROVISIONS ON CORPORATE AND PERSONAL INCOME TAX
DIVISION I
ASSESSMENT REGIMES
SUBDIVISION I
PRINCIPLE

Section 93 b: Natural or legal persons shall be assessed according to the following systems, determined on the basis of the turnover realized:

- Flat rate taxation system………………. (deleted);
- Comprehensive taxation system;
- Actual earnings taxation system;
- Non-profit organizations system.
- Non-professional taxpayers' system.

Section 93 c: (1) The comprehensive tax system shall apply to taxpayers carrying out an activity of a commercial, industrial, artisanal, agro-pastoral or non-commercial nature, whose annual turnover, excluding taxes, is less than:

c. 50 000 000 (fifty million) CFA francs for commercial, industrial, handicraft or agro-pastoral activities;

d. 30 000 000 (thirty million) CFA francs for liberal professions.

(2) The following shall fall under the actual earnings system:

a. Based on their turnover:

iii. sole proprietorships and legal persons with an annual turnover, net of taxes, equal to more than 50 000 000 (fifty million) CFA francs;

iv. members of liberal professions with an annual turnover, net of taxes, equal to or more than 30 000 000 (thirty million) CFA francs.

b. Regardless of their turnover:

i. new taxpayers in the oil, mining, gas, credit, microfinance, insurance and mobile telephone sectors;

ii. New taxpayers who can provide evidence of approval under one of the regimes set out in Ordinance No. 2025/002 of 18 July 2025 to lay down investment incentives in the Republic of Cameroon;

iii. holders of notarial offices;

iv. upon express derogation granted by the Director-General of Taxation, new taxpayers justifying an investment programme duly validated by the tax administration, or an order for an amount exceeding 100 000 000 (one hundred million) CFA francs.

SUBDIVISION II
EXCEPTIONS

Section 93 f: Specific tax systems for inter-urban passenger transport companies.

(2) Notwithstanding the provisions of Sections 93 (b) and 93 (c), natural and legal persons engaging in interurban passenger transportation using minibuses and buses with less than 50 seats and operating no more than 5 vehicles shall be assessed under the simplified taxation system.…………………….…….……..………(Supprimé).

(3) Unchanged.

Section 93 (g): Specific taxation system for enterprises engaging in games of chance and games of entertainment.

(2) The simplified regime shall apply to natural and legal persons operating table football with 10 to 25 machines, 5 to 15 pinball machines and video games, as well as those operating 3 to 10 slot machines..(Deleted).

(3) Unchanged.

Section 93 h: The taxable profit of natural persons subject to the actual earnings system shall be determined in the same manner as for corporate income tax.

SUBDIVISION III
TRANSFER, CESSATION OF ACTIVITY OR DEATH

Section 95: (1) Any cessation of activity, whether permanent or temporary, shall be preceded by the filing of a declaration with the tax authorities, submitted at least three months before the scheduled effective date. This declaration shall be filed electronically.

(2) Within 3 (three months) following the transfer or cessation of activity, the taxpayer shall file a closing return liquidating all taxable profits up to that date and indicating, where applicable, the effective date thereof and the full name, business name and address of the transferee.

(3) In the event of the death of the operator, the rightful claimants shall file the annual income return within 6 (six) months of the date of death.

Section 95 a: The filing of a return of cessation of activity shall give rise to an audit by the Tax Administration covering the taxpayer's entire tax situation.

Section 96: Except for the specific time limits provided for in Section 95 above, all provisions relating to the taxpayer's obligations, assessment procedure and penalties shall apply in the event of discontinuance, transfer or death. In any case the declaration of cessation must be accompanied by the payment of the corresponding duties.

DIVISION V
TAX INCENTIVES
A - MEASURES RELATING TO YOUTH EMPLOYMENT PROMOTION

Section 105: (1) Firms subject to the actual earnings tax system which recruit Cameroonian graduates below 35 years for first-time jobs or pre-employed internship on open-term contract basis shall be exempted from taxes and contributions on the salary paid to such young people, excluding social security contributions.

(2) Firms subject to the actual earnings tax system or members of an Approved Management Centre shall be eligible for these benefits for any recruitment carried out under a first employment contract (permanent or fixed-term), a pre-employment internship or a professional apprenticeship contract.

(3) This measure shall apply for a period of 3 (three) years from the date of signature of the employment contract, admission to a pre-employment internship or the date of the professional apprenticeship contract.

(4) In addition to the exemptions provided above, firms shall benefit from a tax credit equal to 20% (twenty per cent) of the expenses actually incurred for the training, supervision and professional integration of Cameroonian graduates under the age of 35 (thirty-five) recruited for their first job, a pre-employment internship or a professional apprenticeship contract.

Section 105 a: (1) Natural persons domiciled for tax purposes in Cameroon shall benefit from a tax credit in respect of cash or in-kind donations made to approved structures responsible for the training, supervision or integration of young persons under the age of thirty-five (35).

(2) The tax credit referred to in (1) above shall be equal to 20% (twenty per cent) of the value of the donations, up to an annual limit of 25 000 000 (twenty-five million) CFA francs per taxpayer. It shall be deducted from the Personal Income Tax (PIT) due for the financial year, as part of the annual return provided for in Section 74 (a) of this Code.

B- MEASURES RELATING TO THE PROMOTION OF THE STOCK MARKET SECTOR

Section 111: (1) Notwithstanding the provisions of Section 70 of this code, the tax rate on dividends and interests on bonds with a maturity of less than 5 (five) years as well as other proceeds from the stocks of natural or legal persons listed on the Central African Stock Exchange shall be fixed at 10%.

This rate shall be fixed at 5% for proceeds from private or public company bonds with a maturity of 5 (five) or more years.

(2) The following shall be exempt from corporate income tax, tax on income from movable capital or any other similar tax or deduction:

a. interest on negotiable debt securities issued by CEMAC member states;

The rest shall remain unchanged**.**

C - PUBLIC CONTRACTS TAX REGIME

(4) **III – Terms and Conditions for Collecting Public Expenditure Taxes and Duties**

(5) **2. Exceptional expenditure execution procedures**

Section 116 c: (1) ……………………..…………………………………..……………….. ;

(2) …………………………………………………………………………………..;

(3) …………………………………………………………………………………;

(4) Where no document is available to establish the nature of expenditure incurred under exceptional public expenditure execution procedures, the public accountant shall be required to make a flat-rate deduction of 5% (five per cent) of the gross amount paid, increased by additional council taxes at the rate of 10% (ten per cent).

(6) 3. Obligations of fund managers and pay clerks

Section 116 e: (1) …………………………………………………………………..;

(2) …………………………………………………………………………………..;

(3) …………………………………………………………………………………;

(4) The list of documents justifying the execution of any expenditure charged to the budget of the State, regional and local authorities and other public entities shall include, on pain of rejection, a certificate of tax deduction generated on the Tax Administration's platform. This certificate shall specify, by type of tax, the deductions made.

D- MEASURES RELATING TO TAX SUPPORT TO SMALL- AND MEDIUM-SIZED ENTERPRISES

I.Approved Management centres

Section 118: (1) Approved Management Centres (AMCs) shall provide management assistance and guide members in the accomplishment of their tax obligations.

(2) ………………………………………………….. ;

(3) ………………………………………………….. ;

(4) Annual contributions shall be freely fixed by promoters within a bracket ranging from:

- 50 000 to 150 000 CFA francs per year for taxpayers subject to the comprehensive tax system;
- 50 000 to 250 000 CFA francs per year for taxpayers subject to the actual earnings tax system.

(5) Each approved management centre shall employ at least 1 (one) tax adviser and 1 (one) chartered accountant registered with the competent association, at a ratio of 1 (one) professional for every 2 000 (two thousand) members.

Non-compliance with this requirement may lead to the suspension or withdrawal of approval where the promoter fails to regularize the situation after formal notice.

<u>Section 119</u>: (1) Members of approved management centres shall benefit from the following measures:

- 50% of the tax profit declared, provided that the tax due is not less than the minimum collection provided for in this Code. For taxpayers subject to the comprehensive tax regime, this reduction shall apply to the annual comprehensive tax;
- a 50% abatement on the basis of withholding tax calculation on the purchases of distributors, where such purchases are made from wholesaler producers or distributors whose list shall be established by order of the Minister in charge of finance. The withholding tax paid in this case shall be the minimum collection provided for in this code. However, for taxpayers subject to the comprehensive tax regime, it shall be deductible from the comprehensive tax due for the quarter following that in which the tax was withheld;
- exemption from on-the-spot tax audits for the non-prescribed period for any accession made before 31 December 2016....................... (deleted);
- application of penalties in good faith for tax audits covering the period after joining the AMC.

(3) Promoters of approved management centres with at least 100 (one hundred) active members shall benefit from the following advantages:

- 50% reduction in corporate tax or personal income tax for the share of their income derived from the activities of AMCs, provided the tax due is not less than the minimum collection provided for in this Code. For promoters under the comprehensive tax system, this allowance shall apply to the amount of the annual comprehensive tax;
- exemption from tax and employer contributions on salaries paid to employees of AMCs.

The rest shall remain unchanged.

F. INCENTIVES FOR THE REHABILITATION OF DISASTER AREAS

1. Measures to promote new investments in an economic disaster area

<u>Section 121</u>: (1) With the exception of simple trading activities, companies that carry out new investments in an economic disaster area shall be exempted from the following taxes and duties:

- during the installation phase which may not exceed three years:

• ……………………………………………………….. ;

• exemption from VAT on equipment, materials and services related to project implementation, when imported;

• exemption from VAT on interest on loans intended to finance investments in an economic disaster area;

• exemption from registration fees on real estate transfers relating to the implementation of the project;

• ………………………………………………………….

However, the Minister in charge of finance may, at the request of the company and upon presentation of substantiated evidence, grant an extension of the installation phase. This extension may not exceed 2 (two) years.

The rest shall remain unchanged.

K. MEASURES TO SUPPORT PEOPLE WITH DISABILITIES

1. Tax relief

<u>Section 124 c</u>: People with disabilities with a permanent impairment of at least 50 (fifty per cent), duly certified by the Ministry in charge of social affairs and holding a valid disability card, shall enjoy the following benefits:

• a 50% (fifty per cent) reduction in the comprehensive tax rate and the licence fee for those covered by the comprehensive tax system;

- exemption from wage and employer contributions on salaries, except social security contributions.

Section 124 d: (1) Equipment, materials and appliances exclusively intended for the use of people with disabilities shall be exempt from value added tax.

(2) The list of equipment and materials referred to in this Section shall be fixed by joint order of the Minister in charge of finance and the Minister in charge of social affairs.

2 - Financing of the supervision of persons with disabilities

Section 124 e: (1) A special tax on technical inspections of motor vehicles is hereby introduced, based on the technical inspection services provided to vehicles.

(2) The rate of the special tax referred to in (1) above shall be fixed at 3 000 (three thousand) CFA francs per vehicle per inspection.

(3) This tax shall be collected by approved roadworthiness inspection centres at each inspection. It shall be indicated on the invoice issued by the centre.

(4) The following shall be exempt from the tax provided for in this Section:

- vehicles specially adapted for, or used by, people with disabilities;
- vehicles used for the public transportation of people and goods.

(5) The procedures for identifying vehicles eligible for this exemption shall be laid down by joint order of the Minister in charge of transport and the Minister in charge of social affairs.

(6) The special tax on technical inspections collected by approved roadworthiness inspection centres shall be paid into the account of the tax collector of the taxation centre with jurisdiction no later than the 15th (fifteenth day) of the month following that during which the inspections were carried out.

Section 124 f: Revenue from the special tax on the technical inspection of motor vehicles shall be distributed as follows:

- 30% (thirty per cent) to the comprehensive State budget;
- 70% (seventy per cent) to finance actions for the prevention, treatment and reintegration of persons with disabilities, in accordance with the terms and conditions laid down by law.

Section 124 g: The declaration, audit, collection and litigation procedures applicable to the special tax on technical motor vehicle inspections shall be those set out in the Manual of Tax Procedures for similar taxes.

Section 124 h: (1) Natural persons domiciled for tax purposes in Cameroon shall benefit from a tax credit in respect of donations in cash or in kind made to approved bodies whose mission is the supervision, care or reintegration of people with disabilities or other sick persons.

(2) The tax credit shall be equal to 20% (twenty per cent) of the value of the donations, up to an annual ceiling of 25 000 000 (twenty-five million) CFA francs per taxpayer.

(3) The tax credit shall be deducted from the personal income tax (PIT) payable by the taxpayer for the fiscal year, as part of the annual declaration provided for in Section 74 (a) of this Code.

L. MEASURES TO SUPPORT THE FINANCING OF SMALL- AND MEDIUM-SIZE ENTERPRISES

Section 124 i: (1) Natural persons domiciled for tax purposes in Cameroon shall benefit from a reduction in personal income tax (PIT) on sums paid in cash for subscribing to the initial capital or a capital increase of a firm with an annual turnover before tax of less than or equal to 3 000 000 000 (three billion) CFA francs.

(2) The tax reduction shall be granted where the following cumulative conditions are met:

(d) the firm benefiting from the subscription has its registered office or place of effective management in Cameroon, is not admitted to listing on a financial market and carries out a rea activity;

(e) The taxpayer shall keep the subscribed securities for a minimum period of 5 (five) years from the date of acquisition, failing which the granted benefit shall be reversed;

(f) the contributions shall be fully paid up at the time of subscription.

(3) The amount of the reduction shall be equal to 30% (thirty per cent) of the sums actually paid by the taxpayer, up to an annual ceiling of 10 000 000 (ten million) CFA francs per taxpayer.

(4) The tax reduction shall be deducted exclusively from the personal income tax (PIT) payable by the taxpayer for the financial year, in the context of the annual declaration provided for in Section 74 (a) of this Code.

(5) In the event of a transfer, repayment or any act resulting in the loss of ownership of the securities before the expiry of the retention period provided for in (2) b), the tax reduction obtained shall be subject to a reversal in respect of the financial year of the termination, except in the event of the taxpayer's death or disability which is duly justified.

PART II
PROVISIONS RELATIONG TO VALUE ADDED TAX AND EXCISE DUTY
CHAPTER I
SCOPE OF APPLICATION
DIVISION I
PERSONS LIABLE

Section 127: The following transactions shall be taxable:

1) supply of goods and supplies to oneself:

(a) ………………… ;

(b) ………………...

(5) all types of real estate transactions carried out by real estate developers. The following persons shall be considered as real estate professionals:

- …………………….. ;
- persons approved for the profession of real estate developer under the conditions laid down by the law in force, as well as those who carry out the same activities as said professionals on a regular basis and with a view to profiting from it, even without formal approval.
- …………………….. ;
- …………………….. ;
- …………………….. ;
- public entities responsible for the management of port, airport and rail rights-of-way, for the leasing of port, airport and rail rights-of-way.

DIVISION III
EXEMPTIONS

Section 128: The following shall be exempted from VAT:

(1) ……………………………………………………………………………… ;

(2) International traffic transactions concerning:

a. Supplies of goods intended for provisioning:

- ships used for industrial or commercial activity or for international traffic;
- aircraft used for international air navigation;

- interstate transit operations and services related thereto, in accordance with the provisions of Article 158 et seq. of the CEMAC Customs Code.

(18) interest on real estate loans contracted by natural persons to acquire low-cost houses, provided that it is their first dwelling house, on the basis of a clearance issued by the tax authority. .... (Deleted);

(19) the sale of low-cost houses to natural persons acquiring their first dwelling house subject to a clearance from the tax authority. ……………………….. (Deleted);

(21) materials and equipment specifically designed for persons with disabilities, the list of which shall be established by regulation; ………………. (Deleted);

The rest shall remain unchanged.

SECTION 128 a.- Notwithstanding the provisions of Section 128 above, some transactions may be optionally liable to the Value Added Tax. This is particularly the case of:

- mass urban public bus transport operations;
- various real estate operations carried out by non-professionals.
-

DIVISION V
EXCISE DUTY

SECTION 131 a:(1) The following shall not be subject to excise duty: ………… ;

- electrically powered vehicles and motorbikes, under the tariff subheadings 8701.24 00 100, 8702.40 10 100, 8702.40.20.100, 8703.80 10 100, 8703.80.90.100, 8704.60 00 100, 8709.11 00 000 et 8711.60 00 000;
- passenger vehicles with a cylinder capacity less than or equal to 2500 cm³, from 0 to 12 years of age;
- utility vehicles, public transport vehicles, trailers and tractors other than agricultural vehicles of any cylinder capacity, aged from o to 15 years;
- vehicles powered by compressed or liquefied natural gas (CNG/LNG).

The rest shall remain unchanged.

CHAPTER II:
METHODS OF CALCULATION
DIVISION II:
ACTS CONSTITUTING LIABILITY AND LIABILITY FOR PAYMENT

B. LIABILITY

SECTION 134: (1) Liability for payment of VAT and excise duty shall mean the right that may be exercised by the services responsible for collecting the said taxes, to claim payment from the taxpayer at a given time. The tax shall be due as follows:

a. on supplies of goods when the chargeable event takes place. However, in case of an advance payment, the tax shall be payable at the time of receipt, up to the amount received.

The rest shall remain unchanged.

DIVISION III:
CALCULATION

B – RATES

<u>SECTION 142</u>.- (1) VAT and excise duty rates shall be fixed as follows:

a) Value Added Tax:

General rate ……………...... 17.5 %
Reduced rate…………………. 10%
Zero rate …………………..... 0 %

(2) ……………………………………… ;.

(3) The reduced rate shall apply to the following goods and services:

- Interest paid on real estate loans contracted by physical persons for the purchase of social housing, if it is their first dwelling house and upon presentation of a clearance issued by the tax authorities;
- the sale of social housing to individuals purchasing their first dwelling house, subject to the production of a clearance by the tax authorities;
- social housing rentals paid to public or semi-public real estate developers.

(6)- a) The abated rate of excise duty shall apply to:

- passenger vehicles with a cylinder capacity less than or equal to 2500 cm³, aged more than 12 years and less than 20 years;
- passenger vehicles with a cylinder capacity exceeding 2500 cm³, from 0 to 15 years of age;
- utility vehicles, public transport vehicles, trailers and tractors other than agricultural vehicles of any cylinder capacity, aged more than 15 (fifteen) years and less than 20 years;
  - ……………………………………… ;
  - ……………………………………… ;
  - packages of programmes and digital audio-visual content whose tax-exclusive price exceeds 10 (ten) thousand CFA francs;
  - imported empty domestic gas cylinders;

The rest shall remain unchanged.

b) The reduced excise duty rate shall apply to:

- ……………………………………… ;
- ……………………………………… ;
- packages of programmes and digital audio-visual content whose tax-exclusive price is less than or equal to 10 (ten) thousand CFA francs but more than 5 (five) thousand CFA francs.

The rest shall remain unchanged**.**

(8) ………………………………………………………………………………..

The amount of additional excise duty arising from the application of the specific taxation system shall be:

- ……………………………………… ;
- For locally produced wines, spirits, whiskies and champagnes:
  - ………………………………. ;
  - 5 CFA francs per centiliter for wines;
  - 15 CFA francs per centiliter for whiskies;
  - 35 CFA francs per centiliter for champagnes;
- For lower quality imported wines, spirits, whiskies and champagnes:
  - 5 CFA francs per centiliter for spirits known as mixed liquor;
  - 10 CFA francs per centiliter for wines;

- 20 CFA francs per centiliter for whiskies;
- 40 CFA francs per centiliter for champagnes ;

- For premium imported wines, spirits, whiskies and champagne:
  - 10 CFA francs per centiliter for spirits known as mixed liquor;
  - 15 CFA francs per centiliter for wines;
  - 30 CFA francs per centiliter for whiskies;
  - 100 CFA francs per centiliter for champagnes.

(9) For the specific case of non-returnable packaging, a specific excise duty shall be applied according to the following tariffs: ………………. (Deleted).

- 15 CFA francs per unit of non-returnable packaging for non-alcoholic and alcoholic beverages; ………………………………………. (Deleted).
- 5 CFA francs per unit of non-returnable packaging, capped at 5% of the value of the product, for all other products……………………….... (Deleted).

CHAPTER III :
RULES OF PROCEDURE
DIVISION I :
METHODS OF PAYMENT OF THE TAX
SECTION 149: (1)

(2)……………………………………………………………………….................

(3)………………………………………………………………………………… ……......................

(4) No application for refund or offsetting of the value added tax (VAT) may be submitted based on receipts of payments in cash.

………………………………………………………………………………… …………………………………………………

VAT credits may be offset and, where applicable, refunded, on condition that their beneficiaries do not owe any taxes and duties whatsoever which can be swapped, and that the credits are justified.

They shall be refundable:

- ……………………………………………………………………………… ;
- within 3 (three) months of filing the application to industrialists, companies approved under the scheme for supporting economically distressed areas, marketers and leasing establishments where the latter renounce the charging mechanism;

However, the refund of VAT credits to marketers shall be limited to those concerning investments carried out in the construction of service stations.

- within 3 (three) months of filing the application to companies in a situation of structural credit due to the carrying out of CEMAC transit operations;
- to exporters within a time limit of not more than 2 (two) months from the date the application for reimbursement is lodged;

The rest shall remain unchanged.

SECTION 149 a: (1) Applications for reimbursement of eligible VAT credits, together with supporting documents, submitted electronically to the competent tax authorities, shall be admissible.

(2)………………………………………………………………………………… …………………….....................

(3) For the purpose of paragraph 2 above, low-risk enterprises shall be those fulfilling the following cumulative criteria at the time of submission of their application:

- ……………………………………….. ;

Medium-risk enterprises shall be those fulfilling the following cumulative criteria at the time of submission of their application:

- either fulfill the following cumulative criteria:
- fall under to the portfolio of the Large Tax Unit or a specialised management unit;
- have no tax arrears or benefit from a stay of payment;
- have regularly benefited from refunds of value added tax credits in previous fiscal years not contested during a tax audit.

The rest shall remain unchanged.

ANNEXE II: LIST OF PRODUCTS SUBJECT TO EXCISE DUTIES

Rate number	**Rate description**
16022010	**Foie gras**
…..	**…..**
…..	**…….**
…..	**…….**
…..	**…….**
3603.10 à 3603.60	**Detonators**
……..	**Imported empty domestic gas cylinders**

PART IV:
DIVERSE TAXES AND DUTIES
CHAPTER V:
ENVIRONMENTAL TAX ON SOME PRODUCTS WITH A HIGH ECOLOGICAL FOOTFRINT

(7) **SECTION 228 g:** An environmental tax shall be instituted on some products with a high ecological footprint, referred to as the environmental tax.

(8) A. Scope of application

SECTION 228 h: The following imported or locally manufactured products shall be subject to environmental tax:

- cement, concrete reinforcement steel, tiles and ceramics;
- non-returnable packaging ;
- plastic products.

(9) **B. Rates**

SECTION 228 i: The environmental tax rates shall be set as follows:

- 2 (two) thousand CFA francs per tonne of cement;
- 5 (five) thousand CFA francs per tonne of reinforcement steel;
- 10 000 (ten) thousand CFA francs per tonne of tiles and ceramics. This rate is increased to 15 (fifteen) thousand CFA francs in case of imports;
- 15 (fifteen) thousand CFA francs per non-returnable packaging unit for soft drinks and non-alcoholic beverages;

- 5 (five) thousand CFA francs per non-returnable packaging unit, capped at 5 % of the value of the product for all other packages;
- 5 % of the value, capped at 1 (one) thousand CFA francs per unit for all plastic products other than packages.

(10) C. Methods of payment

SECTION 228 j: (1) The environmental tax shall be payable by importers and producers of the products referred to in Section 228 (i) above.

(2) It shall be calculated and collected as follows:

a. regarding local production: the tax is collected by the producing companies and paid monthly to the tax office of the relevant tax centre, no later than the fifteenth (15th) day of the month following that in which the taxable transactions were carried out;
b. concerning imports: the tax is collected by the customs authorities in accordance with the same rules and subject to the same guarantees and penalties as customs duties.

The environmental tax audit, collection and disputes procedures shall be those set out in the Book of Tax Procedures.

PART V:
SPECIAL TAXES
CHAPTER II:
PROVISIONS RELATING TO THE MINING SECTOR

SECTION 240 a: (1) Quarries declared to be of public utility shall be liable to the taxes, duties and fees provided for under the tax legislation, for all commercial operations they carry out outside the scope and needs strictly related to the project that justified their classification.

(2) The special benefits or exemptions granted for the implementation of the main project shall cover only operations that are directly and exclusively necessary for the execution of the said project. They shall not extend to the commercial operations referred to in paragraph (1), which remain taxable under ordinary law.

(3)

CHAPTER III:
FORESTRY TAXES
DIVISION II:
ANNUAL FORESTRY ROYALTIES

SECTION 243: (1) Annual forestry royalties shall be assessed based on the area covered by all logging licenses, including sales of standing volumes granted on the sites assigned to specific development projects and made up of the minimum price and the financial bid.

The minimum price shall be fixed as follows:

- Sales of standing volume: 2500 CFA francs/ha
- Concessions: 1000 CFA francs/ha

Annual forestry royalty shall be paid:

- upon signing the logging agreement for concessions;
- upon signing of the order to grant for sales of standing volume.

Forestry royalties shall be paid in 3 (three) equal installments as follows:

- 15 March for the first installment ;
- 15 June for the second installment ;
- 15 September for the third installment.

The rest shall remain unchanged.

PART VI:

REGISTRATION, STAMP DUTY AND TRUSTEESHIP

SUB-PART III:

UNHARMONIZED CODE IN CEMAC ZONE

CHAPTER II:

PROPERTY TAX

SECTIONS 577 to 584: Deleted and reinstated in Sections 49 to C 56 of Book Three of this Code.

CHAPTER IV:

STAMP DUTY ON ADVERTISING

SECTION 589 à 593: Deleted and reinstated in Sections C 72 to C 76 of Book Three of this Code.

BOOK TWO
MANUAL OF TAX PROCEDURES

SUB-PART I:
ASIS OF ASSESSMENT

SINGLE CHAPTER
OBLIGATIONS OF TAXPAYERS

DIVISION I:
OBLIGATIONS TO FILE RETURNS

SUB-DIVISION I:
GENERAL PRINCIPLE

(11) SECTION M 2 a: (1) Notwithstanding the provisions relating to the system of declaration, the tax authority may, for the none specified time-limit, send to any natural or legal person liable pay a tax, duty or levy as per the laws and regulations in force, in the event of a clear absence or inadequacy of a return, a pre completed return of collected revenue of any other taxable item, with the tax amount owed.

The rest shall remain unchanged.

(12) SECTION M 2 b: (1) Up-to-date taxpayers shall be entered in the register of active taxpayers of the General Directorate of Taxation.

Newly registered taxpayers shall be entered in the database of active taxpayers with effect from the date of filing the first return.

In the event of failure to file returns by a taxpayer over a period of two consecutive months, or upon notification by the customs authorities of a situation of non-compliance with customs obligations, the latter shall automatically be deleted from the said database. Automatic deletion shall take place from the first failure to file annual returns for the non-professional taxpayer. He/she may be reinserted therein only after regularizing his/her tax or customs obligation.

The rest shall remain unchanged.

SUB-DIVISION II

NOTICE TO FILE RETURN AND PUBLIC DISCLOSURE OF INFORMATION RELATING TO TAXPAYERS' TAX COMPLIANCE

SECTION M 3 a: (1) Notwithstanding the provisions of Article M 3 of this Code, the tax authority shall publish, at intervals determined by it, the list of taxpayers according to their status.

- taxpayers who are up to date with their obligations;
- inactive taxpayers ;
- taxpayers removed from the records of the tax authority.

(2) The publication of the lists referred to in Paragraph 2 above shall take place in accordance with the conditions set out in Section M 3 of this Code.

DIVISION II:

OBLIGATION TO PRESERVE DOCUMENTS AND PERIOD OF PRESERVATION

SECTION M 6 b:(1) Any enterprise required to certify its financial statements, pursuant to the provisions of the OHADA Uniform Act on Accounting and Financial Reporting, must attach to its statistical and tax return a certification statement issued by a duly authorised auditor.

(2)……………………………………………………………………………………………
…………………………………………………………………….

(3) The auditor shall be liable in particular for the validation of financial statements containing false invoices, concealment of turnover, deliberate omission of significant information, or any acts that may mislead the tax authorities as to the accuracy of the certified accounts.

(4) Notwithstanding the penalties provided for in the instruments governing the profession, a warning may be issued to the auditor by the competent authorities, at the request of the tax authorities, which may also refer the matter to the competent CEMAC Commission for the purpose of striking the offender from the regional register of certified public accountants and auditors.

(5) The fees and charges relating to the statutory audit referred to in this Section shall be fixed by a special instrument of the Minister in charge of finance.

SECTION M 6 c.- (1) Any taxpayer whose annual turnover is equal to or exceeds 1 000 000 000 (one billion) CFA francs shall be required to attach to their statistical and tax return a tax review report prepared by a CEMAC-approved tax advisor who is registered with the Order.

(2) Failure to produce the report referred to in paragraph (1) above shall be liable to a fine of:

- 10 000 000 (ten million) CFA francs where the taxpayer falls under the jurisdiction of the Large Taxpayers Department;
- 5 000 000 (five million) CFA francs where the taxpayer falls under another taxation centre.

(3) The tax adviser shall be liable, both to his clients and to third parties, for any damage resulting from errors or negligence committed in the performance of his duties. In the event of professional misconduct causing damage to third parties, he may be held civilly liable and his licence suspended, as appropriate.

(4) The tax adviser must provide proof of professional liability insurance and hold a valid CEMAC 'pink' card.

(5) The fees and charges relating to the tax review certification referred to in this section shall be fixed by a special instrument of the Minister in charge of finance.

DIVISION IV :
ADMINISTRATIVE OBLIGATIONS

SECTION M 8 a.- (1)…………………………………………………………………. ;

(3) Irrespective of their status or nature, companies shall be bound to comply with the electronic monitoring system referred to in paragraph (1).

Without prejudice to the recovery of taxes evaded, together with the penalties and criminal sanctions provided for in Section L 108 and others of the Manual of Tax Procedures, failure to comply with the obligations relating to the electronic invoicing or production monitoring system is punishable by a fine equal to:

- ………………………. ;
- ………………………. ;

Charges owed to financial establishments and to payment institutions during the payment or credit transfer of their taxes, including receipts for payment are compelled to fall within the range of 500 to 10 000 CFA francs. In no circumstance shall the charge exceed 10% of the tax and levy paid.

(4) Financial establishments and payment institutions that do not comply with the ceilings established in paragraph 2 above shall be liable to a non-discountable fine corresponding to the amount of the excesses billed.

DIVISION VI
REAL-TIME TAXATION

SECTION M 8 e (new): (1) Notwithstanding the provisions of this Code, the collection of taxes, duties and levies payable on some transactions may be carried out under the real-time taxation system through an electronic system set up by the tax authorities.

(2) Real-time taxation shall consist in the immediate, automatic and secure collection of tax at the time of the transaction, through an electronic system.

(3) Taxpayers subject to the real-time taxation regime shall:

e. use only the equipment, software or electronic devices authorized by the tax authorities;

f. issue electronic invoices or documents containing information as stipulated by the legislation in force;

g. carry out instantaneous and continuous transmission of invoicing or transactional data to the tax authorities;

h. ensure the accuracy and preservation of the information transmitted.

(5) In the specific case of downstream oil sector operations and the distribution of natural gas for industrial use, real-time taxation shall be carried out through deduction at source by the Cameroon Petroleum Storage Company (SCDP), the National Refining Company (SONARA) and natural gas production or distribution companies, at the time of removal or delivery of taxable products.

(5) Tax credits or surplus payments in connection with the application of this regime shall be eligible for offset, refund or reimbursement in accordance with the terms and conditions set out in the tax legislation.

(6) The terms and conditions for the implementation of this section shall be laid down by order of the Minister of Finance.

(7) Failure to comply with the obligations set out in this section shall be punished in accordance with the provisions of this Book.

SUB-PART II:
TAX CONTROL
CHAPTER I:
RIGHT TO CONTROL
DIVISION I:
GENERAL PROVISIONS

SECTION M 9: Sworn tax officers who are at least of the rank of inspector, shall be empowered to control the bases of all taxes payable by the taxpayers whom they inspect.

In tax offices that do not have officers of the rank of Inspector, such officers shall be substituted by sworn tax officers of at least the rank of Controller, under the supervision of the head of the center or the competent supervisor.

To exercise their duties, the duly authorized officers may be assisted by any other lower-ranking tax officer carrying their professional card.

DIVISION III:
CONDITIONS FOR EXERCISING THE RIGHT TO CONTROL
SUB-DIVISION I:
ON-THE-SPOT CHECK

SECTION M 11: Tax officers of at least the rank of inspector, carrying their professional cards and a copy of the audit notice, shall carry out on-the-spot controls of the accounts of taxpayers bound to produce and keep accounting documents.

In tax offices that do not have officers of the rank of Inspector, such officers shall be substituted by sworn tax officers of at least the rank of Controller, under the supervision of the head of the center or the competent supervisor.

To exercise their duties, the duly authorized officers may be assisted by any other lower-ranking tax officer carrying their professional card.

Accounts shall be audited at the head office of the enterprise or at the place of its main establishment. Where this is not possible in either of these two places, the taxpayer must expressly request that it be conducted either in the accountant's office, or in the offices of the tax authority.

Article L 18: Where the exercise of the right to control of the tax authorities requires special technical knowledge, the Authority may solicit the technical advice of experts designated by the Minister of Finance.

Such consultants shall be professionally liable in case of damage resulting from their work. The rest shall remain unchanged.

SECTION M19: (1)…………………………………………………………………. ;

(2) Where accounting is kept using computerized systems, the taxpayer subject to an accounting check shall be required to submit, at the beginning of control operations, in usable dematerialized form, a copy of the accounting entry files of the period checked.

Any changes to the accounts over the period checked shall be prohibited upon submission of the accounting entry files.

Failure to submit the said file at the beginning of operations shall be deemed an obstruction to tax inspection.

Accounting systems must keep an unalterable technical audit log recording all entries, modifications or deletions, with timestamps and user IDs. This log must be kept for a minimum period of ten (10) years.

In the event of a discrepancy duly noted in the report between the accounting documents and the accounting entry files submitted at the beginning of the on-the-spot check, the tax authority may reject the accounts for lack of accuracy and carry out an arbitrary assessment based on the available information, in accordance with the provisions of Section M 30 of the General Tax Code.

The burden of proof regarding the authenticity and accuracy of the accounting entries lies with the taxpayer, who must attest that the data submitted is consistent with the actual accounts and has not been altered.

SECTION M 20 a: (1) ……………………………………………………………………….

(2) If, in the normal course of their duties, the tax authorities notice cases of fraud or breaches of tax benefits granted, or non-compliance with commitments made in connection with the granting of an exemption or special regime, the said benefits shall be immediately suspended and the duties shall be collected for the unspecified period, in accordance with the procedures laid down in this Code and without prejudice to other penalties provided for by the regulations in force.

DIVISION IV:
ADJUSTMENT PROCEDURES
SUB-DIVISION I A:
QUALITY CONTROL OF ADJUSTMENTS

SECTION L 28 bis: (1) The audited taxpayer or the audit service may, at any time during the tax audit procedure, but prior to the issuance of the assessment notice, request for arbitration on some proposed tax adjustments where the differences of opinion between the parties are obvious and the proposed tax levels are such as to prejudice the continuation of the company's activity.

- the Head of the Regional Tax Centre with territorial jurisdiction, where the total amount of the disputed adjustments is less than or equal to 50 000 000 (fifty million) CFA francs;
- The Director General of Taxation, for other cases.

The rest shall remain unchanged.

SUB-DIVISION II:
ARBITRARY ASSESSMENT PROCEDURE

SECTION M 30 a: (1) The following breaches in computerized accounting may result in the total or partial rejection of the accounts and, consequently, in the application of arbitrary assessment:

c. alteration of accounting entries: any modification, deletion or falsification of accounting entries or documents after notification of the audit notice, changing their substance;

d. obstruction of the IT audit: refusal to grant access to the auditors or their designated experts, in accordance with Section M 18, to the IT system, accounting files or data necessary for auditing the accounting entries and examining the audit trails.

(2) The rejection of the accounts shall be subject to a formal and adversarial procedure:

c. In the event of alteration of accounting records: the tax authorities shall draw up a report specifying the nature, extent and period of the changes noticed. The report shall be notified to the taxpayer, who shall have 8 (eight) days to submit their comments and justifications in writing.

d. In the event of obstruction of the IT audit: the tax authorities shall issue a formal notice, by any means allowing to establish the date of receipt, calling on the taxpayer to provide the required access within 8 (eight) days. Refusal shall be recorded in a report of failure to comply, drawn up in the presence of both parties or, failing that, bearing a note of the taxpayer's refusal to sign it.

(4) Upon expiry of the time limits specified in paragraph (2), in the absence of compelling justification, the rejection shall become final and shall automatically entail arbitrary assessment.

DIVISION V:
LIMITS OF THE RIGHT TO AUDIT

SECTION M 34: The total or partial omissions noticed in the basis of assessment, the inadequacies and inaccuracies or assessment errors may be corrected by the tax authority up to the end of the fourth year following that under which the tax fell due.

They may also be corrected spontaneously by the taxpayer himself without any penalties, subject to the following alternative conditions:

- before delivery of a notice of inspection or an adjustment notice in the event of the control of documents;
- within thirty (30) days of the date of approval of the accounts by the competent body, except in case of force majeure.

Beyond this time limit, the taxpayer may still carry out adjustments where such adjustments can determine additional tax payable.

The rest shall remain unchanged.

CHAPTER II:
RIGHT TO INFORMATION

SECTION M 42: Duly authorized tax officers of at least the rank of tax controller or persons ranking as such shall be entitled to access, on hard and electronic copies of documents kept by the persons and bodies listed in section M.43 below, for the purpose of checking the returns filed by taxpayers or obtaining information for a foreign tax authority, without the possibility of objection on grounds of the provisions of the law on banking secrecy, the law on the protection of personal data, as well as professional secrecy subject to Section M.47 of this Manual.

The right to information may not in itself give rise to an adjustment notice.

They may be assisted by other lower-ranking tax officers carrying their professional card.

SUB-PART III:
TAX COLLECTION
CHAPITRE IV :
DEBT CLEARENCE CERTIFICATE

SECTION L 94 quarter: The following are subject to presentation of a valid tax compliance certificate:

- **……………………………………………….. ;**
- **……………………………………………….. ;**
- connection or subscription to the electricity, water and telephone networks;
- the issuing of passports;
- import operations carried out by non-professional taxpayers;
- the issuance of a land title;
- the issuance of a vehicle registration document.

CHAPTER VI:
INTERNATIONAL ASSISTANCE IN THE RECOVERY OF TAX CLAIMS

SECTION M 94 g: (1) The tax authority shall implement international assistance in the recovery of tax claims, either at the request of a foreign authority or at its own initiative, based on international instruments binding on Cameroon or, otherwise, on grounds of reciprocity.

(2) Foreign tax claims for which recovery is requested in Cameroon shall be treated as domestic tax claims of the same nature. As such, they shall be granted the same privileges and guarantees and recovered using the same procedures.

(3) Objections concerning the existence, validity or amount of the foreign claim or enforcement order shall fall within the exclusive jurisdiction of the authorities of the requesting State.
(4) Objections concerning the legality of recovery measures implemented on Cameroonian territory shall fall within the jurisdiction of the Cameroonian authorities.
(5) The terms and conditions for the implementation of this article shall be laid down by a special instrument of the Minister in charge of finance.

SUB-PART IV:
PENALTIES
CHAPTER I:
FISCAL PENALTIES
DIVISION 1:
ASSESSMENT PENALTIES
SUB-DIVISION II:
FAILURE TO FILE A RETURN

SECTION M 97: (1) Any taxpayer who after a notice to declare has not filed a return shall be liable to arbitrary assessment and his taxes shall be increased by 100%. Such increase shall be raised to 150% in case of a further offence.
(2) Without prejudice to the arbitrary assessment and increases provided for in paragraph 1 above, the defaulting taxpayer shall be liable to a fine as follows:
d. for taxpayers under the Large Tax Unit: 200 000 (two hundred thousand) CFA francs per failure to file a return;
e. for taxpayers under the Medium-sized Enterprise Taxation Centres and Specialized Taxation Centres: 100 000 (one hundred thousand) CFA francs per failure to file a return;
f. for taxpayers under the Personal Taxation Centres: 50 000 (fifty thousand) CFA francs per failure to file a return.
(3) The fines provided for in this article shall be generated and collected automatically through the tax authority's IT system upon expiry of the deadline set in the formal notice. They shall not be subject to forgiveness of tax.
SECTION M 99: (1) The filing after an official notice, of a return showing nil tax or a credit shall give rise to a fixed fine of 1 000 000 (one million) CFA francs.
(2)………………………………………………………………………………………
(3)………………………………………………………………………………………
(2) Without prejudice to the penalties provided for in Section M 97 of this Book, failure to file or transmit, within the legal time limits, the annual return referred to in Section 74 a. of the General Tax Code shall be liable to a fixed fine, not subject to tax forgiveness or reduction, in the amount of 100 000 (one hundred thousand) CFA francs.

SUBDIVISION IV:
ABSENCE OF INVOICE OR FALSE INVOICE

SECTION M 102: A fine equal to 100% of the value of the transaction with a minimum of 100 000 (one hundred thousand) francs shall be applied to any sale of goods or any provision of services not having been invoiced or for which an erroneous or incomplete invoice has been made, received or used by a professional.
Any VAT claim obtained on the basis of false invoices shall give rise to the immediate refund of the sums unduly received, in addition to a fine equal to 100% of the value of the transaction.
The refund of sums unduly received, and the related penalties shall be recovered by means of a recovery notice issued by the taxpayer's local tax office.

DIVISION II:
SPECIAL PENALTIES

SECTION M 105 c (New): (1) Failure to file the return in accordance with the conditions and time limits set out in Section 95 of this Code shall be punishable by a fixed fine, the amounts of which are determined as follows:

- for taxpayers under the Large Taxation Unit : 5 000 000 (five million) CFA francs;
- for taxpayers under the Medium-sized Enterprise Taxation Centres: 1 000 000 (one million) CFA francs;
- for taxpayers under the General Synthetic Tax (GST) : 500 000 (five hundred thousand) CFA francs;

(2) The penalties provided for in this article shall apply without prejudice to those appliable to the late filing of returns.

(3) The management, *de jure* or *de facto*, of the legal entity at the time of expiry of the statutory time limit shall, together with the legal entity, be jointly liable for the payment of the financial penalties provided for in this article.

SECTION M 105 d: (1) Any failure to comply with the obligations under the real-time taxation system shall be liable to a fine of 500 000 (five hundred thousand) CFA francs per offence, without prejudice to the payment of the evaded duties, as well as other penalties provided for in this Code.

(2) Where failure to comply results in the evasion of all or part of the tax payable, the taxpayer shall also be liable to a fine equal to 50% of the amount of tax evaded.

(3) In case of a repeated offence within 12 (twelve) months, the fine provided for in paragraph (2) above shall be increased to 100% of the amount of tax evaded, in addition, where applicable, to the temporary closure of the establishment for a maximum period of thirty (30) days, by a decision of the tax authorities.

CHAPTER II:
PENALTIES
DIVISION IV :
CRIMINAL LIABILITY OF TAX OFFICERS IN MATTERS OF TAX AUDIT

SECTION M 114 a: (1) Notwithstanding the provisions of Section 142 of the Penal Code, amendments of taxes, duties, levies or penalties following a regular audit procedure carried out by tax officers shall not constitute any misappropriation of funds, so long as they act within the scope of the powers and procedures provided for in this Code.

(2) Additional taxes arising from a tax procedure shall, unless proven otherwise, be deemed established for the sole benefit of the Public Treasury, in accordance with the applicable rules and procedures. The burden of proof of fraudulent intent on the part of the tax officer for requesting, collecting, granting or withholding, for his own benefit or for that of a third party, a sum that he knew to be undue, shall lie with the party bringing such complaint.

SUB-PART V:
TAX DISPUTES
CHAPTER I
CONTENTIOUS JURISDICTION
DIVISION I :
PRIOR REFERRAL BEFORE THE TAX AUTHORITY
SUBDIVISION I :
CLAIMS

SECTION L 116: (1) Any taxpayer who feels wrongly taxed or overtaxed may file a claim in writing with the head of the Regional Taxation Centre, to the head of the structure responsible for managing "large Enterprises" or to the Director General of Taxation within a period of 30 (thirty) days upon issuance of the collection notice or sure knowledge of the taxation.

(2) The above-mentioned claim must, under pain of inadmissibility, fulfill the following conditions:

- be signed by the claimant or the claimant's representative, who must be a tax adviser recognized by CEMAC and on the list of the professional association or an authorized management centre. Where the claim is submitted by a representative, it must include:
- the power of attorney allowing the latter to act as a representative;
- the valid assistance agreement in the case of an authorized management centre.
- be stamped;

The rest shall remain unchanged.

DIVISION II :
COMPROMISE AND SUBSTITUTION OF LEGAL BASIS OR REASONS
SUBDIVISION I :
COMPROMISE

SECTIONS M 125 to M 125 c: The rest shall remain unchanged.

SUBDIVISION II :
SUBSTITUTION OF LEGAL BASIS OR REASONS

SECTION M 125 d: (1) L'Administration est autorisée à procéder à la substitution de base légale ou des motifs d'une imposition rappelée ou contestée. The tax authority shall be authorized to substitute the legal basis or reasons for an amended or contested tax.

(2) The substitution of legal basis or reasons may take place:

- before issuance of the recovery notice;
- during the contentious procedure.

(3) Substitution of legal basis or reasons shall be admissible only if the taxpayer has been granted all procedural guarantees and rights of defence.

(4) In any case, the tax authority shall be bound to inform the taxpayer of the new basis or reasons and allow them the opportunity to formulate their written comments within 30 (thirty) days of notification of the substitution.

BOOK THREE

LOCAL FISCAL SYSTEMS

PART II

COUNCIL TAXES

CHAPTER I

BUSINESS LICENSES

DIVISION I

GENERAL PROVISIONS

SECTION C 10: (1) The business license shall be assessed on the basis of the annual turnover declared by the taxpayer in the previous fiscal year.

(2) The activities listed in Annex I shall, as a matter of right, be liable to the business license ………………………………….Deleted**.**

DIVISION II

WAIVERS AND EXEMPTIONS

SUBDIVISION I

WAIVERS

SECTION C 11: The following shall not be liable to the business license:

1. ……………………………………………………………. ;
2. ……………………………………………………………. ;
3. ……………………………………………………………. ;
4. ……………………………………………………………. ;
5. ……………………………………………………………. ;
6. ……………………………………………………………. ;
7. ……………………………………………………………. ;
8. ……………………………………………………………. ;
9. Farmers, stock breeders and natural persons with a turnover of below 50 000 000 (fifty million) CFA francs, for the sale of harvest and fruits from the fields belonging to them or which they exploit, or for the sale of the animals they rare or fatten;

The rest shall remain unchanged.

DIVISION IV

SPECIAL PROVISIONS

SECTION C 15: Business licenses shall be established with due regard to the following special conditions:

1. ……………………………. ;
2. ……………………………. ;
3. ……………………………. ;
4. ……………………………. ;
5. ……………………………. ;
6. ……………………………. ;
7. Tax payable by service station managers shall be based on the profit margin of approved petroleum products (super, diesel, kerosene, domestic gas) and on the pre-tax turnover from other sales. A separate annual return must specify these items.

DIVISION VII
ISSUANCE AND PAYMENT OF THE BUSINESS LICENSE

SECTION C 22 a: (1) The tax authorities may automatically reclassify taxpayers previously subject to the General Synthetic Tax (GST) to the business license regime where their estimated or actual turnover exceeds the thresholds determined under this regime.

(1) Such reclassification may be carried out following an on-the-spot check, subsequent to a visit notice and a report to determine the taxpayer's actual turnover.

CHAPTER II
LIQUOR LICENSES
DIVISION II
LIQUOR LICENSE TARIFFS

SECTION C 37; (1) Liquor license tariffs are shown on the following table:

Type of activity		Activity subject to business license	Activity subject to general synthetic tax
Liquor license class	Basic element	Business license	1 time the amount of general synthetic tax
Class 1	Non-alcoholic beverages	2 times the business license	1 time the amount of the general synthetic tax
Class 2	Alcoholic beverages; Firearms, ammunitions and explosives; Games of chance and entertainment	4 times the business license	2 times the amount of the general synthetic tax

The tariffs set out in paragraph (1) above shall be subject to a 50% reduction for taxpayers under an Approved Management Centre (AMC).

CHAPTER III
COMPREHENSIVE TAX

SECTION C 38: (1) A comprehensive tax is hereby instituted, in discharge of the payment of the business licence, the Value Added Tax, the Personal Income Tax in respect of Industrial and Commercial Profits, Agricultural Profits and Non-Commercial Profits.

(2) Notwithstanding the provisions of paragraph 1 above, taxpayers subject to the comprehensive tax regime shall remain liable to:

- Service taxes and charges ;
- Business licences ;
- deduction at source of taxes and duties on invoices submitted to entities authorized to deduct at source;
- chargeable employer contributions for their paid workers.

(3) Any Natural person subject to the comprehensive tax shall remain bound to the obligation to file their annual return as provided for in Section 74 of the General Tax Code.

(4) Income tax prepayments from the invoices of taxpayers subject to the comprehensive tax regime shall be deductible from the tax due for the following year.

DIVISION I
PERSONS LIABLE TO COMPREHENSIVE TAX TAX

SECTION C 39: (1) Taxpayers engaged in commercial, industrial, handicraft, agropastoral or non-commercial activities whose annual turnover excluding tax does not exceed the following amounts shall be subject to comprehensive tax:

a. 50 000 000 (fifty million) CFA francs for commercial, industrial, handicraft or agropastoral activities;

b. 30 000 000 (thirty million) CFA francs for liberal professions.

(2) Any overrun of the thresholds referred to in paragraph (1) above during the fiscal year shall result in the automatic reclassification of the taxpayer under the real tax regime.

However, a taxpayer subject to the real regime whose turnover falls below this threshold shall be maintained under the same regime for a probationary period of 2 (two) fiscal years. If, at the end of this period, his turnover remains below the threshold, he shall be reclassified under the comprehensive tax regime.

(2) Where the same taxpayer carries out multiple activities, only the turnover of activities eligible for comprehensive tax shall be taken into account for assessing the threshold referred to in paragraph (1).

DIVISION III
FILING RETURN AND ESTABLISHMENT OF COMPREHENSIVE TAX

SECTION C 41: (1) Any taxpayer subject to comprehensive tax shall be bound to file, against acknowledgement of receipt, no later than 15 April of each year to the tax office of the place of taxation, using a form provided by the tax authorities, a detailed return of their income during the previous fiscal year. The tax shall be paid in a single instalment at the time of filing of the said return.

(2) Notwithstanding the provisions of paragraph (1) above, the taxpayer may opt for quarterly instalments. In this case, the tax shall be paid within fifteen (15) days of the end of each quarter, using an electronic filing method consistent with that indicated by the tax authorities.

DIVISION IV
OBLIGATIONS OF TAXPAYERS

SECTION C 44: (1) Taxpayers subject to the comprehensive tax regime, with a turnover equal to or above 10 000 000 (ten million) CFA francs shall keep accounts in accordance with the minimum cash flow system provided for by the OHADA Uniform Act on Accounting Law and Financial Information.

(2) The accounting elements provided for in paragraph (1) above shall be presented at the request of the tax authorities.

(3) The taxpayers referred to in paragraph (1) shall also be required to file a Statistical and Tax Return (STR) no later than 15 May of each year.

DIVISION V
PENALTIES

SECTION C 46: (1) Failure to present a valid tax compliance certificate will result in the closure of the establishment. It shall also be punished with a tax fine of 25 000 (twenty-five thousand) CFA francs.

(2) However, for itinerant merchants and professional transporters, failure to justify tax compliance shall lead to the impounding of their non-perishable movable property or vehicle and at the municipal pound, in compliance with the relevant rules of procedure.

CHAPTER IV
PROPERTY TAX
DIVISION IV :
BASIS FOR ASSESSMENT
I- RATE

SECTION C 53: (1) The rate for property tax shall be 0.1 %.

(2) However, where the total value of a property, or all the properties held by the same taxpayer exceeds 500 000 000 (five hundred million) CFA francs, the tax shall be collected based on a progressive scale as follows:

- from 500 000 000 to 1 000 000 000 CFA francs: 0.2%
- above 1 000 000 000 CFA francs: 0.3 %.

SECTION VI
DISPOSITIONS DIVERSES

SECTION C 55: (1) Documents relating to mortgage, transfer of ownership or use of property shall be registered only upon proof of regular payment of the land tax on ownership.

(2) Any registration in the Land Registry shall be subject to presentation of a land tax payment receipt or a tax compliance certificate issued by the relevant taxation authority.

The rest shall remain unchanged.

CHAPTER VI
STAMP DUTY ON MOTOR VEHICLES

SECTIONS C 58 to C 70: Deleted and codified in Book I.

CHAPTER VII

SECTION C 71: Deleted and codified in Book I.

CHAPTER IX
TOURIST TAX

SECTIONS C 77 to C 79: Deleted and codified in Book I.

PART IV
COUNCIL TAXES
CHAPTER I
LOCAL DEVELOPMENT TAX

SECTION C 86: (1) A council tax known as the local development tax is established for the benefit of councils.

(2) This tax shall be collected for the basic facilities and services provides to the populations, notably street lighting, sanitation, refuse collection, ambulance services, drinking water supply, and electrification.

(3) Proceeds from the local development tax shall be devoted on a priority basis to the financing of the infrastructure referred to in paragraph (2) above.

a. For public and private sector employees: unchanged.

b. For persons liable to the business license and comprehensive tax.

The rest shall remain unchanged.

CHAPTER III
COUNCIL LEVIES
DIVISION IV
RENTAL FOR DEVELOPED MARKET SPACES

SECTION C 100 a: (1) The rental rates for council shops in market spaces shall be fixed as follows:

…………………………………………………………………………………….. ;

(2)………………………………………………………………………….….. ;

(3)…………………………………………………………….…………….. ;

(4) Notwithstanding the provisions of paragraph (1) above, the Municipal Council shall be authorized to adjust the rates applicable to commercial space in order to take into account the actual commercial rental prices in the council area.

However, the amount of the rent thus established by the Municipal Council may not exceed twice the maximum amount provided for the corresponding occupied surface area, as set out in paragraph (1) above.

PART V
SPECIAL PROVISIONS APPLICABLE TO COUNCILS AND CITY COUNCILSS
CHAPTER I
CONDITIONS FOR THE ALLOCATION OF COUNCIL TAXES
DIVISION VII
COMPREHENSIVE TAX

SECTION C 119 a: (1) A share of 80% (eighty) of the proceeds of comprehensive tax shall be allocated to councils.

(2) The share of the comprehensive tax allocated to councils shall be distributed as follows:

- 80% (eighty per cent) in respect of the deduction basis to the council of the locality;
- 20% (twenty percent) in respect of the balance to the entity responsible for centralization and equalization.

CHAPTER II
DISTRIBUTION OF DUTIES AND TAXES BETWEEN THE CITY COUNCILS AND SUBDIVISION AL COUNCILS

SECTION C 121: (1) The fiscal revenues of the city council shall comprise:

- …………………………… ;
- …………………………… ;
- …………………………… ;
- …………………………… ;
- excise duty on damage to public roads and/or pavements, or infrastructure falling within the remit of the city council.

(2) The fiscal revenues of the subdivisional council shall comprise:

- …………………………… ;
- …………………………… ;
- …………………………… ;
- the revenue from the *ad valorem tax* on spring water, mineral water and thermo-mineral water and the tax on the extraction of quarry substances ………………………………….deleted;

- excise duty on damage to public roads and/or pavements, or infrastructure falling within the remit of the city council;

The rest shall remain unchanged.

(3) The tax revenue shared between the city council and subdivisional councils shall comprise:

- …………………………… ;
- …………………………… ;
- the revenue from tourist tax as follows:
- 50% (fifty percent) for the city council;
- 50% (fifty percent) for the subdivisional council.

CHAPTER III
INTER-COUNCIL AND EQUALIZATION TAX REVENUE

SECTION C 122: (1) 20% (twenty per cent) of the proceeds from the council taxes listed below shall be allocated to the entity in charge of centralization and equalization, for redistribution to all councils according to criteria to be set out by a special instrument, or to any other body in charge of centralization for financing projects carried out by councils, city councils and associations of councils:

- **Proceeds from additional council taxes;**
- **………………………. ;**
- **………………………. ;**
- **………………………. ;**
- **Proceeds from comprehensive tax.**

PART VI
REGIONAL TAXES AND LEVIES

SECTION C 124: (1) The following proceeds from local taxes and levies shall be allocated to the regions:

- …………………………………………… ;
- a share of airport stamp duty;
- a share of stamp duty on vehicle certificates;
- …………………………………………… ;
- …………………………………………… .

The rest shall remain unchanged.

CHAPTER V
FROCEEDS FRON THE FUND FOR THE FINANCING OF SUSTAINABLE WATER AND SANITATION DEVELOPMENT PROJECTS

SECTION C 128: (1) Notwithstanding the provisions of Law No. 98/005 of 14 April 1998 on the water regime, a share of the resources of the Fund for the financing of sustainable water and sanitation development projects shall be allocated to the Regions.

(2) ……………………………………………………………………………… …………….. ;

(3) The fee for collection of surface or groundwater shall be declared and paid by the persons liable, through the tax authority IT platform, within fifteen (15) days of the end of each quarter. The declaration shall recap the volume of water collected over the corresponding period.

(4) The sanitation tax on the discharge of industrial wastewater shall be declared and paid by the persons liable, through the tax authority IT platform, within fifteen (15) days of the end of each quarter. The declaration shall recap the quantity of wastewater discharged over the corresponding period.

CHAPITRE VI
AIRPORT STAMP DUTY

SECTION C 129: The proceeds from airport stamp duty, as provided for in Book I of the General Tax Code, shall be allocated as follows:

- 90% (ninety percent) to the entity responsible for centralization and equalization in respect of inter-municipal and inter-regional relations, with a view to its distribution among all the Regions, in accordance with the procedures provided for by a separate instrument;
- 10% (ten percent) to the Solidarity Fund for the International Drug Purchase Facility (IDPF), to finance air navigation equipment and meteorological services infrastructure.

CHAPTER VIII
RADIO FREQUENCY FEES

SECTION C131: Notwithstanding the provisions of Law No. 2010/013 of 21 December 2010 on electronic communications, as amended and supplemented by Law No. 2015/006 of 20 April 2015, 60% of the proceeds from radio frequency fees shall be allocated to the Regions.

(2) ……………………………………………………………………………….. ;

(3) Radio frequency fees shall be declared and paid by the persons liable, through the tax authority IT platform, in four equal amount instalments amount as follows:

- no later than 15 March for the first tranche;
- no later than 15 June for the second tranche;
- no later than 15 September for the third tranche;
- no later than 15 December for the fourth tranche.

(3) The four equal amount quarterly instalments to be paid by the persons liable shall be determined based on the invoices issued by the regulator for the previous fiscal year (n-1).

CHAPTER IX
TAX ON GAMES OF CHANCE

Article C 132: (1) Notwithstanding the provisions of Law No. 2015/012 of 16 July 2015 to lay down rules governing games of chance and entertainment, a share of the proceeds from the tax on games of chance shall be allocated to the regions.

(2) The tax provided for in paragraph (1) above shall be collected solely by the tax authorities.

(3) The proceeds from the tax provided for in paragraph (1) above shall be allocated in full to the entity in charge of centralisation and equalization in respect of equalization and

inter-regionality, for redistribution to all the Regions in accordance with the procedures set out by a separate instrument.

(4) The tax on games of chance shall be declared and paid by the persons liable, through the tax authority IT platform, within 15 (fifteen) days of the close of each quarter. The declaration shall recap the turnover during the corresponding period.

CHAPTER THREE
PROVISIONS RELATING TO OTHER RESOURCES

SECTION 24: The conditions for distribution of the proceeds from charges relating to the lifting of the import or export declarations provided for in Section 9 of Finance Law 2018 shall be determined by an instrument of the Minister of Finance**.**

SECTION 25: *Institution of an abatement on annual forestry royalties for fiscal year 2026*

(1) Notwithstanding the provisions of Section 243 of the General Tax Code, a reduction of 25% (twenty-five percent) is instituted for fiscal year 2026 on the amount of annual forestry royalty payable by companies holding valid logging permits.

(2) The abatement referred to in paragraph (1) above shall be increased to 35% (thirty-five per cent) for enterprises which, no later than the deadline for payment of the first royalty instalment, have been issued a sustainable forest management compliance certificate by a competent authority in line with the relevant standards.

(13) **SECTION 26:** *Special compromise procedure for claims issued before 31 December 2023*

(1) A special compromise procedure for tax claims issued before 31 December 2023 shall established for fiscal year 2026. It shall run from 1 January to 31 December 2026.

(2) Claims issued during fiscal year 2023 shall be eligible for compromise as follows:

a) levies on contentious procedures:

- during the administrative process phase: 50% reduction, with the possibility of spreading the balance over a period not exceeding six (6) months;
- during the judicial process phase: 80% reduction, with the possibility of spreading the balance over a period not exceeding six (6) months.

Taxes paid in respect of referral to the administrative or judicial authorities shall remain within the Treasury.

b) Uncontested tax debt :

- public or semi-public entities: 60% reduction, with the possibility of spreading the arrears over a period not exceeding twelve (12) months;
- Private entities: 50% reduction, with the possibility of spreading the arrears over a period not exceeding twelve (12) months.

(3) The taxes referred to administrative or judicial authorities for the contentious procedure must be paid in full before any compromise request.

(4) Claims settled by debt swap shall not be eligible for compromise.

(5) No request shall be admissible after 31 December 2026.

(6) Acceptance of compromise shall entail surrendering any further claim, and discontinuance of any pending request of proceeding.

Yaoundé, 17 December 2025
THE PRESIDENT OF THE REPUBLIC,

(signed) Paul BIYA

NOTES PERSONNELLES

NOTES PERSONNELLES

APPENDIX II
STATUTORY PART

DECREE N° 97-283-PM OF 30 JULY 1997 TO LAY DOWN THE CONDITIONS FOR IMPLEMENTING CERTAIN PROVISIONS OF LAW NO 97-14 OF 18 JULY 1997: FINANCE LAW OF THE REPUBLIC OF CAMEROON FOR THE 1997-98

BY DECREE, N° 97-283 OF 30 JULY 1997:

Section 1 - This decree lays down the conditions for implementing Sections 5 and 12 of Law No 97-14 of 18 July 1997: Finance Law of the Republic of Cameroon for the 1997-1998 financial year.

Section 2 - (1) The felling tax on timber species and the selling price of drift timber washed ashore shall be calculated on the basis of the FOB value of each species.

(2) The export duty on logs and processed or semi-processed timber sold for export or to local processing mills having a special industrial free zone status applicable to the equivalent of processed timber shall be calculated as provided for in paragraph (1) above.

Section 3 - (1) The FOB value of each species shall be the market value of the said species as obtained from world market factors, with particular reference to the following sources:

- the Reuters networks;
- the "*Société Générale de Surveillance*" network.

(1) In the event of differences over the FOB value of a species, the price retained shall be the average of the average of the both sources as provided for in paragraph (1) supra.

Section 4 - (1) The felling tax shall be calculated on the basis of the FOB value per exploitation zone and per species.

(2) The FOB market value shall apply to species from exploitation Zone 2.

(3) The value of species exploited in Zone 1 shall be increased by 5%, while that of species exploited in Zone 3 shall be reduced by 5%.

(4) Export duties shall be calculated on the basis of the FOB value of species exploited from Zone 2.

Section 5 - (1) The FOB values of the various species shall be established and published by order of the Minister in Charge of Finance.

(2) Pursuant to the provisions of Article 3 above, the values shall be updated every six months by an ad hoc committee presided over by the Director of Customs, or his representative, and including the representatives of:

- the Department of Forestry;
- the Department of Taxation;
- each trade union and other associations of the forestry sector;
- the "*Société Générale de Surveillance*".

Section 6 - Upon notification of the provisional exploitation agreement, the amount of the tax payable by the concession holder shall be readjusted every year according to the inflation rate in Cameroon as determined by the competent authorities.

Section 7 - (1) Pursuant to Section 12 of the Finance Law for the 1997-1998 financial year, proceeds from the forestry tax shall be distributed as follows:

- 50% to the State budget;
- 40% to the budget(s) of the beneficiary council(s);
- 10% to the beneficiary local communities.

(2) In accordance with the provisions of Section 68 (2) of Law No 94-1 of 20 January 1994 to lay down forestry, wildlife and fisheries regulations, the forestry tax proceeds payable to local communities shall be used to carry out social projects towards the development of the beneficiary communities.

They shall be used strictly for the problems of the beneficiary communities, according to conditions fixed by joint order of the Ministers in Charge of Finance, Forestry and Territorial Administration.

(3) Without prejudice to some socio-economic projects undertaken by the exploiter to foster neighbourly relations with the populations, and to the provisions of paragraphs (1) and (2) above, infrastructures sponsored by the exploiter shall be determined during administrative authorities, the forestry services and the logging companies operating in the areas in question.

Section 8 - (1) Timber species exploited in Cameroon fall under the following three groups:

a) traditional species;

b) low value species;

c) species to promote.

(2) The classification of species under the groups provided for above has been annexed to this Decree.

Section 9 - The provisions of Decree No 96-643 PM of 17 September 1996 to determine the taxable values of timber repugnant hereto are repealed.

Section 10 - The Ministers in Charge of Finance, Forestry and Territorial Administration are responsible, in their respective spheres, for the implementation of this Decree which shall be registered, published according to the procedure of urgency, and inserted in the Official Gazette in English and French.

Yaounde, 30 July 1997

The Prime Minister, Head of Government,
(ed) Peter Mafany Musonge

ANNEX TO DECREE N° 97-283 OF 30 JULY 1997
Tariff classification of Timber Species

Species main name	Species scientificname	Customs tariff heading	Forestry code
Acajou de bassam/Ngollon	Khava ivorensis	44 03 34 61	1103
Afroromosia/Assamela/ Obang/Kokrodua	Péricopsis elata	44 03 99 02	1104
Anigré	Aningeria altissima, A. Robuta	44 03 99 72	1207
Bété/Mansonia	Mansonia altissima	44 03 35 20	1106
Bossé	Guarea cedrata, G. Thompsonii	44 03 99 09	1107
Bubinga	Guibourtia Tessmannii, Gdemeusei	44 03 99 10	1109
Dibétou/Bibolo	Lovoa trichilioides	44 03 35 40	1111
Doussié	Afzelia bipindensis	44 03 99 13	1113
Doussié blanc/Apa/Pachyloba/Bella	Afzelia pachyloba, A. Bella	44 03 99 45	1112
Ebène	Diospyros spp.	44 03 99 14	1114
Longhi/Abam	Gambeya africana	44 03 99 77	1228
Makoré/Douka	Tieghemella africana	44 03 34 70	1120
Moabi	Baillonnella toxisperma	44 03 99 25	1121
Movingui	Distemonanthus benthamianus	44 03 99 26	1232
Ovengkol	Guibourtia ehié	44 03 99 51	1126
Padouk	Pterocarpus soyauxii, P. spp	44 03 99 33	1128
Pao Rosa	Swartzia fistuloides	44 03 99 34	1365
Sapelli	Entandrophragma cylindricum	44 03 34 40	1129
Sipo	Entandrophragma utile	44 03 34 50	1130
Wenge	Millettia laurentii	44 03 99 70	1138
Zingana/Amuk	Microberlinia bisulcata	44 03 99 37	1243

Ayous/Obéché	Triplochyton scleroxylon	44 03 34 30	1211
Azobé/Bongossi	Lophira alata	44 03 35 61	1105
Bilinga	Nauclea diderrichii	44 03 99 08	1318
Framiré	Terminalia ivorensis	44 03 99 16	1115
Kossipo	Entandrophragma candollei	44 03 99 20	1118
Kotibe	Nesogordonia papaverifera	44 03 99 21	1119
Koto	Ptervgota macrocarpa	44 03 99 46	1226
Okoumé	Aucoumea klaineana	44 03 34 11	1125
Teck	Tectona grandis	44 03 33 00	1134
Tiama	Entandrophagma angolense	44 03 35 10	1135
		44 03 99 98	
Abale/Abing/Essia	Petersianthus macrocarpus	44 03 99 78	1301
Abura/Bahia	Mitragina stipulosa, M. ciliata	44 03 99 01	1411
Agba/Tola	Gossweilerodendron balsamiferum	44 03 99 36	1137
Aiélé/Abel	Canarium schweinfurthii	44 03 99 03	1201
Ako/Aloa	Antiaris africana	44 03 99 04	1310
Amvout/Ekong	Trichoscypha acuminata, T. abrorea	44 03 99 67	1419
Asila/Kioro/Omang	Maranthes chrysophylla	44 03 99 59	
Avodiré	Turreaensthus africanus	44 03 99 06	1209
Bodioa	Anopysis kalineana	44 03 99 68	1212
Cordia/Ebe	Cordia platyhyrsa	44 03 99 65	1319
Dabema/Atui	Piptadeniastrum africanum	44 03 99 11	1214
Dambala	Discoglypremma caloneura	44 03 99 88	1434
Diana/Celtis/Odou	Celtis tesmannii, Celtis spp.	44 03 99 58	1322

Ebiara/Abem	Berlinia grandiflora, B. bracteosa	44 03 99 53	1215
Ekaba	Tetraberlinia bifoliata	44 03 99 49	1216
Ekouné	Coelocaryon preussii	44 03 99 89	1333
Emien/Ekouk	Alstonia bonnei	44 03 99 61	1334
Esak	Albizia glaberrima	44 03 99 79	1529
Eseng/Lo	Parkia bicolor	44 03 99 75	1353
Essessang	Ricinodendron heudelotii	44 03 99 80	1449
Esson	Stemonocoleus micranthus	44 03 99 81	1335
Etimoé	Copaifera mildbraedii	44 03 99 82	1217
Evène/Ekop évène	Brachystegia mildbreadii	44 03 99 86	1235
Eveuss/Ngon	Klainedoxa gabonensis	44 03 99 74	1336
Evoula/Vitex	Vitex grandifolia	44 03 99 87	1452
Andoung	Monopetalanthus spp.	44 03 99 05	1204
Angueuk	Ongokea gore	44 03 99 50	1206
Eyek	Pachyelasma tessmannii	44 03 99 71	1231
Eyong	Eribroma oblogum	44 03 99 15	1218
Faro	Daniella oaea, D. kainei	44 03 99 43	1342
Fromager/Ceiba	Ceiha pentandra	44 03 99 17	1344
Gombé/Ekop gombé	Didelotia letouzeyi	44 03 99 54	1221
Latandza/Evouvous	Albizia ferruaillea	44 03 99 57	1345
Ilomba	Pynallthus anaolensis	44 03 35 30	1346
Kanda	Beilschmiedia anacardioides	44 03 99 83	1533
Kapokier/Bombax	Bombax buonopozense	44 03 99 63	1348
Kondroti/Ovonga	Rodognaphalon brevicuspe	44 03 99 84	1492
Kumbi/Ekoa	Lannea welwitschii	44 03 99 73	1458

Landa	Erythroxylum mannii	44 03 99 69	1350
Limba/Frake	Terminalia superba	44 03 35 50	1220
Limbali	Gilbertiodendron dewevrei	44 03 99 56	1227
Lotofa/Nkanang	Sterculia rhinopetala	44 03 99 52	1229
Mambode/Amouk	Detarium mcacrocarpum	44 03 99 47	1230
Moambé jaune	Enanthia chlorantha	44 03 99 90	1468
Mukulungu	Autranella congolensis	44 03 99 85	1122
Mutundo	Funtumia elastica	44 03 99 91	1471
Naga/Ekop naga	Brachystegia cynometroides	44 03 99 42	1234
Niové	Staudtia kamerunensis	44 03 99 29	1238
Oboto/Abodzok	Mammea africana	44 03 99 55	1240
Okan/Adoum	Cylicodiscus gabonensis	44 03 99 48	1124
Olon/Bongo	Fagara heitzii	44 03 99 30	1213
Onzabili/Angongui	Antrocaryon klaineanum, A. micrasler	44 03 99 44	1489
Osanga/Sikon	Pteleopsis hylodendron	44 03 99 62	1242
Ouochi/Albizia/angoyemé	Albizia zygia	44 03 99 64	1359
Ovoga/Angalé	Poga oleosa	44 03 99 31	1361
Ozigo	Dacryodes buettneri	44 03 99 32	1363
Tali	Erythropleum ivorense	44 03 99 41	1132
Tchitola	Oxystigma oxyphyllum	44 03 99 35	1133
Tsanya/Akela	Pausinystalia macroceras	44 03 99 76	
Other species to promote		44 03 99 99	
Okan/Adoum	Cylicodiscus gabonensis	44 03 99 48	1124
Olon/Bongo	Fagara heitzii	44 03 99 30	1213

Onzabili/Angongui	Antrocaryon klaineanum, A. micrasler	44 03 99 44	1489
Osanga/Sikon	Pteleopsis hylodendron	44 03 99 62	1242
Ouochi/Albizia/angoyemé	Albizia zygia	44 03 99 64	1359
Ovoga/Angalé	Poga oleosa	44 03 99 31	1361
Ozigo	Dacryodes buettneri	44 03 99 32	1363
Tali	Erythropleum ivorense	44 03 99 41	1132
Tchitola	Oxystigma oxyphyllum	44 03 99 35	1133
Tsanya/Akela	Pausinystalia macroceras	44 03 99 76	
Other species to promote		44 03 99 99	

DECREE N° 98-9 PM OF 23 JANUARY 1998 TO LAY DOWN THE BASIS OF ASSESSMENT AND PROCEDURE FOR COLLECTING THE DUTIES, ROYALTIES AND TAXES RELATING TO FORESTRY ACTIVITIES

THE PRIME MINISTER, HEAD OF GOVERNMENT,

Mindful of the Constitution;
Mindful of Ordinance No 62-OF-4 of 7 February 1962 to regulate the mode of presentation, conditions for executing the State budget, its revenue expenses and all operations relating thereto;
Mindful of the stamp duty code;
Mindful of Law No 94-1 of 20 January 1994 to lay down forestry, wildlife and fisheries regulations;
Mindful of Law No 97-14 of 17 July 1997: Finance Law of the Republic of Cameroon for the 1997-98 financial year, and in particular Section 12 thereof;
Mindful of Decree No 92-245 of 26 November 1992 to organize the Government and as amended;
Mindful of Decree No 97-205 of 7 December 1997 to organize the Government;
Mindful of Decree No 97-206 of 7 December 1997 to appoint the Prime Minister, Head of Government,

HEREBY DECREES AS FOLLOWS:

CHAPTER I:
GENERAL PROVISIONS

Section 1 - This decree lays down the basis of assessment and the procedure for collecting the duties, royalties, taxes and proceeds from sales relating to forestry activities.

Section 2 - (1) The basis of assessment and collection of the forestry royalties, felling taxes and transfer tax as well as the proceeds from the sale of forest products shall be made by the Taxation Department.

(2) The basis of assessment of the export levy for logs and lumber shall be made by the Customs Department. The collection of the said levy shall be done by the relevant services of the Treasury Department.

CHAPTER II
BASIS OF ASSESSMENT AND COLLECTION

Section 3 - The act constituting liability for each duty shall be:

- the holding of a concession, sale of standing volume and/or, where applicable, a license, in the case of forestry royalties;
- the felling of a tree, in the case of the felling tax and the proceeds from the sale of forest products;
- the transfer of a concession, in the case of the transfer tax.

Section 4 - An exploitation authorization to fell or sell forest products in the case of proceeds from the sale of forest products.

Section 5 - The duties be settled as follows:

- in the case of forestry royalties, transfer tax and proceeds from the sale of forest products, by the Taxation Department, following notification of the exploitation document by the Forestry Department with a copy forwarded to the Taxation Department;
- or this purpose, the Forestry Department shall maintain a special register for notification of forest exploitation documents marked and initialled by the Taxation Department;
- in the case of the felling tax, by the Taxation Department upon presentation of for DF 10 and monthly production statements;
- in the case of export levies, by the Customs Department.

Section 6 - (1) The statements referred to in Section 4 above shall bear:
- the full name or company name;
- the exploiter's address;
- the taxpayer's registration number;
- the assessment period;
- the number of the sale of standing volume, felling permit, concession and/or, where applicable, the license, exploitation permit, individual felling authorization, as well as the zone and place of exploitation;
- the surface area exploited and the surface area of the exploitation document;
- the results of the exploitation inventory approved by the services in charge of forests;
- the felling assessment number in the case of a concession or where applicable, of a license;
- the volume of species felled, per species and per exploitation document;
- the volume of locally sold species, per species, indicating the name, address and taxpayer's number of the purchasers;

- the volume of species exported, per species and exploitation document in conformity with the specifications drawn up by the forestry services;
- the volume of species bought, per specie indicating the name and address of the supplier and the references, where applicable, of his exploitation document;
- the volume of locally processed species per specie and exploitation document;
- the nature and amount of taxes due.

(2) The said statements shall be certified, dated and signed by the taxpayer or his representative. They shall be accompanied by the photocopies of the corresponding form DF 10 and way-bills.

Section 7 - The statements referred to in Section 5 above shall be drawn up in two copies to be submitted to the Taxation and Forestry Departments within 10 (ten) days following every business month.

Section 8 - For the settlement of the felling tax and the proceeds from the sale, the exploiter shall furnish the Taxation and Forestry Departments with the plan of his operations and the results of verification.
The statements referred to in Section 5 above must have a connection with the plan of operations notified to the departments concerned.

Section 9 - (1) The felling tax and proceeds from sales shall be settled monthly by the relevant services of the Taxation Department on the basis of monthly production statements supplied by the taxpayers referred to in Section 5 above.

(2) The felling tax and proceeds from sales shall be paid by the taxpayer not later than the 10th of the month following the business month.

(3) For sales of standing volume, concessions, licenses or any other documents exploited by third parties, the concessionaire shall be jointly and severally liable for payment of the felling tax and proceeds fromsales owed by the holder of the exploitation document.
(4) The felling tax or proceeds from sales shall be deducted at source by any natural person or corporate body when settling bills for local purchase of logs, sale of standing volume or any other exploitation document, on the basis of the way-bill filled by the vendor, who shall be responsible for the accuracy of the details entered on the said way-bill. In such case, the volumes indicated on the way-bill shall be automatically increased by 20%.
Section 10 - (1) Forestry royalties shall be assessed on the basis of the surface area of the forest exploitation document.
(2) Floor rates of the forestry royalties shall apply to forest exploitation documents granted by private agreement.
(3) For licenses and concessions, forestry royalties shall be paid by taxpayers in three equal instalments by the following prescribed dates:

- First instalment : 30 September;
- Second instalment: 31 December;
- Third instalment: 31 March.

(4) For sales of standing volume, the royalties shall be paid at the time of granting or renewal of the exploitation document.

(5) For exploitation documents granted after 31 December, the royalties shall be liquidated on a prorata temporis basis and settled within the 45 (forty-five) days following their notification.

(6) For sales of standing volume, concessions and licenses exploited by third parties, the concessionaire shall be jointly and severally liable for the exploitation document concerned.

Section 11- (1) For the settlement of forestry royalties, three settlement notes shall be issued, one for payment of the State's share, one for payment of the share for councils, and the third for the share of the local communities.

(2) Payment certificates for the share of forestry royalties belonging to councils shall be issued in the name of each council revenue collector concerned.
(3) Where a council does not have an autonomous revenue office, the tax collector shall open a transit account to receive payments owed the said council.

4) The share of the royalties for local communities shall be entered in a standing account in the tax collector's register. A joint order of the Ministers in Charge of the Treasury and of Territorial Administration shall determine the conditions for the use of the corresponding sums.

CHAPTER III:
GRADUATED SURTAX:

Section 12 - In accordance with Law No 94-1 of 20 January 1994 to laydown forestry, wildlife and fisheries regulations, the direct or indirect legal minimum processing of a volume of logs from the exploitation of documents of the same exploiter shall be 70%.

Section 13 - Non-compliance with the provisions of paragraph (1) above shall subject the holder of a valid sale of standing volume, concession or license to the payment of the graduated surtax.

Section 14 - For sales of standing volume, concessions and licenses exploited by third parties, the concessionaire shall be jointly and severally liable for payment of the graduated surtax owed by the holder of the exploitation document.

Section 15 - (1) The Forestry Department shall in conjunction with the Taxation Department, monitor the obligation to process logs.

(2) The graduated surtax shall be collected by the Taxation Department after notification by the forestry services.

(3) Proceeds from the graduated surtax shall be shared as follows:
- 40% to be Special Forestry Development Fund;
- 35% to the Public Treasury;
- 12,5% to involved staff of the Forestry Department;
- 12,5% to involved staff of the Taxation Department.

CHAPTER IV:

Section 16 - (1) Subject to the provisions of Law No 94-1 of 26 January 1994 to lay down forestry, wildlife and fisheries regulations, the penalties provided for by the tax and customs legislation in force shall apply *mutatis mutandis* to the assessment and collection of the forestry taxes and royalties.

(2) The assessment and collection services shall, for the enforced recovery of forestry royalties and taxes, have the prerogatives recognized them by the tax and customs legislation for the collection of direct taxes, turnover tax and custom duties and taxes.

(3) Notwithstanding the preceding provisions mixed control teams comprising staffs of the taxation assessment services and of the Forestry Department shall be organized as the need arises to ensure the sincerity of taxpayer’s statements.

(4) The Forestry Department shall contribute to the assessment and collection of the royalties duties and taxes referred to in Section 2 (1) above by forwarding to the Taxation Department all information that may facilitate the two operations and all management acts with a financial incidence.

Section 17 - This decree repeals the provisions of Decree No 96-642/PM of 17 September 1996 to lay down the basis of assessment and procedure for collecting the duties, royalties and taxes relating to the forestry business and all other previous provisions repugnant hereto.

Section 18 - The Minister of State in Charge of the Economy and Finance and the Minister of the Environment and Forestry are responsible, each in his own sphere, for the implementation of the provisions of this decree which shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 23 January 1998

The Prime Minister, Head of Government,

(ed) Peter MAFANY MUSONGE

DECREE N° 2008/2304/PM of 29 July 2008
SETTING OUT THE RULES FOR APPLYING THE SPECIAL TAX REGIME FOR ANCHOR PROJECTS OF THE GENERAL TAX CODE.

THE PRIME MINISTER, HEAD OF GOVERNMENT,

Mindful of the constitution;

Mindful of the General Tax Code;

Mindful of law No. 2007/005 of 26 December 2007 concerning the finance law of the Republic of Cameroon for the year 2008;

Mindful of Decree No. 92/089 of 14 May 1992 setting out the powers of the Prime Minister, as amended and supplemented by Decree No. 95/145 of 04 August 1995;

Mindful of Decree No. 2004/320 of 08 December 2004 concerning the organisation of the Government, as amended and supplemented by Decree No. 2007/268 of 07 September 2007;

Mindful of Decree No. 2004/321 of 08 December 2004 concerning the appointment of a Prime Minister.

DECREES:

CHAPTER I
GENERAL PROVISIONS

Section 1- This decree sets out the rules for applying the special tax regime for anchor projects of the General Tax Code.

Section 2- The special tax regime for anchor projects applies to large, smalland-medium-size enterprises both new and old.

Section 3- For the purposes of this Decree:

- "large enterprise" refers to an enterprise whose annual turnover is equal to or greater than (01) billion CFA francs;
- "small-and-medium-size enterprise" refers to an enterprise whose annual turnover is less than one (01) billion CFA francs;
- "new enterprise" refers to an enterprise that is registered in the trade register in the year under consideration and who reports to the tax office for a first registration;
- "old enterprise" refers to an enterprise already registered in the trade register and undertaking new projects.

CHAPTER II
CONDITIONS OF ELIGIBILITY

SECTION 1
IN TERMS OF THE FORM

Section 4- (1) Companies that seek to benefit from the special tax regime for anchor projects must submit a file to that effect with the Ministry in charge of finance (Directorate General of Taxation).

(2) The file must consist of the following documents:

-A stamped application at the rate in force;

-An investment plan specifying:

- The nature and amount of planned investments;
- The period over which the investment shall stretch and the different stages of completion;
- The number of management, mid-level and junior positions envisaged;
- Evidence of financing for the project.

SECTION 2
IN TERMS OF THE CONTENT

Section 5- For an "anchor project" to qualify and enjoy the benefits of the special tax regime introduced by the Finance Law for the year 2008, the project must meet the following conditions collectively:

1) Be a center of economic and social development;

As such, a structuring project must constitute for the locality in which it is implemented an instrument inducing economic and social progress. In particular, its implementation must be designed to induce the development of a network of subcontractors or related activities, the use of local raw materials, the rise of activities that create added value and contribute to job creation in the locality of its location and the environs. On the social front, the structuring character is appraised in the light of infrastructures such as roads, evacuation routes, staff quarters, schools, health facilities.

2) Create jobs

a - For large companies, the projects must lead to the creation of permanent jobs within the company, at least:

- Twenty (20) management positions;
- Fifty (50) mid-level positions and;
- One hundred (100) junior positions;

b - For Small and Medium Size Enterprises, these jobs shall respectively be at least

- Four (04) management positions;
- Ten (10) mid-level positions;
- Twenty (20) junior positions.

3) Giving rise to significant investment

To benefit from the regime of anchor projects, large companies must submit to the Tax Administration a plan of investment to be realized of at least five billion CFA francs (5,000,000,000), while small-and-medium-size enterprises can make-up with projects estimated to cost at least five hundred million CFA francs (500,000,000).

However, in assessing the minimum thresholds of the required investment, the cost of pre-feasibility or feasibility studies of the project is not taken into account. Only additional studies eventually setting in during the implementation phase shall be taken into account.

In any case, benefits may not be granted to investments over a period of four (04) years.

4) Be implemented in priority sectors

The projects must be carried out in the following sectors:

- agricultural, including livestock and fisheries;
- industrial, all industries that manufacture or process products;

- energy which for the purposes of this regime, is constituted by companies specializing in the production of electric, wind, nuclear and solar energy or bio-fuels and gas ;
- tourism, excluding catering ;
- social housing, with the proviso that a habitat can only be considered social within the meaning of this decree, when it is intended to be sold or ceded at a price not exceeding 25% of the prices charged by the National Housing Corporation.

Section 6- (1) For projects in the sector of social housing, the project promoter shall sign an agreement with the State, in which he shall undertake to perform the prices set out in Article 5 of this decree.

(2) Any failure to comply with the provisions of paragraph 1 of this article shall entail the recall of evaded duties without prejudice to the penalties and interest for late payment provided for in the General Tax Code.

Section 7- Where the conditions set out in Articles 4 and 5 above are met, the Tax Administration shall issue an admittance to the regime of structuring projects to the requesting company. Otherwise, it will notify the rejection of his request.

CHAPITRE III
GUIDANCE OF TAX BENEFITS

SECTION 1
MODALITIES FOR IMPLEMENTATION OF BENEFITS

Section 8- When the project is conducted by an old enterprise, the latter must keep two separate accounts, one on the old activities, and the other relating to the new project.

Yaoundé, 29 July 2008

The Prime Minister, Head of Government,
(ed) INONI Ephraim

DECREE N. 2019/3178/PM OF 2 SEPTEMBER 2019 TO SPECIFY THE PROCEDURES FOR IMPLEMENTING THE STATUS OF ECONOMIC DISASTER AREAS AND CONDITIONS FOR RELATED TAX BENEFITS AS PROVIDED FOR BY ARTICLE 121 AND 121A OF THE GENERAL TAX CODE.
THE PRIME MINISTER, HEAD OF GOVERNMENT,

Mindful o: The Constitution;

Mindful o: Law No.2002/003 of 19 April 2002 on the General Tax Code and all its subsequent amendments;

Mindful o: Law No.2016/018 of 14 December 2016 on the Finance Law of the Republic of Cameroon for the 2017 financial year;

Mindful o: Law No.2018/0012 of 11 July 2018 on the financial régime of the State and other public entities;

Mindful o: Law No.2018/022of 11 December 2018 on the Finance Law of the Republic of Cameroon for the 2019 financial year;

Mindful o: Decree No.95/145-a of 4 August 1995 to amend and supplement certain provisions of Decree No.92/089 of 4 May 1992 to specify the powers of the Prime Minister;

Mindful o: Decree No.2011/408 of 9 December 2011to organize Government, as amended and supplemented by Decree No.2018/190 of 2 March 2018;

Mindful o: Decree No.2019/001 of 4 January 2019 to appoint a Prime Minister, Head of Government;

HEREBY DECREES AS FOLLOWS:

Article l .- (1) This decree specifies the procedures for implementing the status of economic disaster areas and the conditions for benefiting from the related tax benefits, in accordance with the provisions of Sections 121 et 121a of the General Tax Code.

(2) An economic disaster area should be understood as a pre-defined geographical area in which economic activity is structurally and durably affected by insecurity or disaster of any kind, such as floods, famine, drought, etc.

(3) The designation of an area as an economic disaster area and its withdrawal shall be established by decree of Prime Minister, Head of Government. Such status may be withdrawn when the effect of the disaster that justify it have ceased.

Article 2.- (1) Companies that carry out new investments in economic disaster area shall be exempted from the following taxes and duties :

(a) In the installation phase that may not exceed three years :
- business license tax waivers;
- value added tax on purchases of goods and services;
- registration fees on project establishment-related property transfers;
- property tax on buildings used for the project.

(b) During the first seven years of operation:
- business license tax;
- company tax and minimum collection;
- taxes and contributions on salaries paid to staff.

(2) To granted the tax benefits referred in paragraph 1 above, the investments must meet the following alternative criteria:

- lead to the creation of ten (10) direct jobs;
- use the raw material produced in the said area, where necessary.

(3) Where new investments are carried out by an old company, the exemptions provided for in paragraph 1 above shall apply only to operations and profits related to such new investment. In such case a case, the company shall be bound to keep separate accounts.

(4) Enjoyment of this system provided for in paragraph 3 above shall be subject to prior approval of the planned new investments by taxation authorities and granting on an approval signed by the Minister of Finance.

(5) Based on the actual implementation of the investment plan, the taxation authorities shall issue a discharge at the end of each financial for the renewal of the above-mentioned tax incentives.

(6) In case of non-compliance with the approved investment program, the company shall lose the tax incentives granted and shall settle unpaid taxes and duties, without prejudice to late penalties and interests.

Article 3.- (1) Companies that make investments to restore their production facilities in an economic disaster area shall receive a tax credit of 30% of the expenses incurred. It is capped at one hundred (100) million CFA francs and is chargeable up to a maximum of three financial years following the one in respect of which the expenditure was incurred.

(2) Expenditure eligible for the tax credit is that which directly contributes to the rehabilitation of the production tool or to its reinforcement.

(3) Expenditure that gave rise to the recognition of a tax credit is subject to prior validation by the tax authorities.

Article 4.- The benefits referred to above may not be combined with those provided for by any other special tax regime or incentive.

Article 5.- This Decree repeals all other previous provisions that are contrary.

Article 6.- This Decree shall be registered, published according to procedure of urgency and inserted in Official Gazette in English and French.

Yaounde, 2 September 2019

Joseph DION NGUTE

PRIME MINISTER

HEAD OF GOVERNMENT

DECREE N° 2019/3179/PM OF 2 SEPTEMBER 2019 TO GRANT THE STATUS OF ECONOMIES DISASTER AREAS TO THE FAR-NORTH, NORTH-WEST AND SOUTH-WEST REGIONS.

THE PRIME MINISTER, HEAD OF GOVERNMENT,

Mindful of	The Constitution;
Mindful of	Law No.2002/003 of 19 April 2002 on the General Tax Code and all its subsequent amendments;
Mindful of	Law No.2016/018 of 14 December 2016 on the Finance Law of the Republic of Cameroon for the 2017 financial year;
Mindful of	Law No.2018/0012 of 11 July 2018 on the financial régime of the State and other public entities;
Mindful of	Law No.2018/022 of 11 December 2018 on the Finance Law of the Republic of Cameroon for the 2019 financial year;
Mindful of	Decree No.95/145-a of 4 August 1995 to amend and supplement certain provisions of Decree No.92/089 of 4 May 1992 to specify the powers of the Prime Minister;
Mindful of	Decree No.2011/408 of 9 December 2011 to organize Government, as amended and supplemented by Decree No.2018/190 of 2 March 2018;
Mindful of	Decree No.2019/001 of 4 January 2019 to appoint a Prime Minister, Head of Government;
Mindful of	Decree No.2019/3178/PM of 2 September 2019 to specify the procedures for implementing the status of economies disaster areas and conditions for related tax benefits as provided for by Article 121 and 121a of the General Tax Code.

HEREBY DECREES AS FOLLOWS:

Article l.-The status of economies disaster areas is accorded to the Far-North, North-West and South-West Regions, pursuant to the provisions of Section 121 and 12 la of the General Tax Code.

Article 2.-This Decree shall be registered, published according to procedure of urgency and inserted in the Official Gazette in English and French.

ORDER N° 0000009/MINFI/SG/DGI OF 15 JANUARY 2020 AMENDING AND SUPPLEMENTING ORDER N°00002/MINFI/SG/DGI OF 05 JANUARY 2017 SETTING THE LIST OF COMPANIES AUTHORISED TO APPLY THE 50% REDUCTION ON THE BASIS OF CALCULATION OF THE WITHHOLDING TAX ON PURCHASES MADE BY RETAILERS WHO ARE MEMBERS OF ACCREDITED MANAGEMENT CENTRES FROM WHOLESALERS AND DISTRIBUTORS OF BREWING COMPANIES.

THE MINISTER OF FINANCE,

Mindful of the General Tax Code;

Mindful of law N°2019/023 of 24 December 2019 on the Finance Law of the Republic of Cameroon for the financial year 2020;

Mindful of decree n°2011/408 of December 09, 2011 relating to the organization of the Government, amended and supplemented by Decree n°2018/190 of March 02, 2018;

Mindful of decree n°2013/066 of February 28, 2013 on the organization of the Ministry of Finance;

Mindful of decree n°2011/410 of December 09, 2011 on the formation of the Government, amended and supplemented by decree n°2019/001 of January 04, 2019 on the reorganization of the Government;

Mindful of decree n°00002/MINFI/SG/DGI of January 05th 2017 setting the list of large companies authorized to apply a 50 % abatement on the basis of the calculation of the withholding tax on purchases of their distributor's members to the Approved Management Centers.

Hereby orders as follows:

Article 1. - The provisions of Articles 1, 2, 3 and 4 of Order N°00002/MINFI/SG/DGI of 5 January 2017 establishing the list of companies authorized to apply a 50% reduction on the basis of the calculation of the advance payment on purchases of their distributors who are members of Accredited Management Centers, are modified and completed as follows:

"Article 1 (new).- Pursuant to the provisions of Article 119 (1) of the General Tax Code, producers and distributors whose lists are appended to this Order are authorized to apply a 50% reduction on the basis of the calculation of the withholding tax on purchases of their customers who are members of the Accredited Management Centers (AMC).

Article 2 (new). - The reduction referred to above shall apply exclusively to purchases made by taxpayers who can prove effective membership of a AMC.

Proof of membership of a AMC shall be provided by membership of the file of members published on the website of the Directorate General of Taxation.

Article 3 (new).- (1) The annual returns of taxpayers who have deducted withholding taxes on purchases under the above conditions must indicate in the appendix the summary list of their customers who are members of the AMC with the precise amount of the withholding tax per customer as well as the CGA to which they belong.

(2) Production companies shall communicate, no later than the 15th of the month following the end of each quarter, the list of transactions carried out with their distributors entitled to apply the abatement.

Article 4 (new) .- The update of the list referred to in Article 1 above shall be done by the Director General of Taxation by simple letter after communication to the administration by the producers of the names of the new distributors. »

THE REST REMAINS UNCHANGED."

Article 2. - All previous provisions to the contrary are repealed.

Article 3. - The Director General of Taxation is charged with the application of this Order which shall be registered and published wherever necessary.

Yaoundé, January 15, 2020

THE MINISTER OF FINANCE

Louis Paul MOTAZE

ANNEX I:

LIST OF MANUFACTURING COMPANIES ENTITLED TO APPLY THE 50% REDUCTION ON THE BASIS OF THE ADVANCE PAYMENT ON PURCHASES FROM THEIR DISTRIBUTORS WHO ARE MEMBERS OF AN ACCREDITED MANAGEMENT CENTRE

N°	N° COMPANY NAME	ABBREVIATION	BP	LOCATION
1	BOISSONS, VINS ET SPIRITUEUX	BVS SAS	4036	DOUALA
2	GUINNESS CAMEROUN	GUINNES CAMEROUN	8149	DOUALA
3	SOCIETE ANONYME DES BRASSERIES DU CAMEROUN	SABC	4036	DOUALA
4	SOCIETE CAMEROUNAISE DE FERMENTATION SA	FERMENCAM	13234	DOUALA
5	SOCIETE DE FABRICATION DES VINS DU CAMEROUN	SOFAVINC	13594	YAOUNDE
6	SOURCE DU PAYS SA	SOURCE DU PAYS	84	MUYUKA
7	UNION CAMEROUNAISE DES BRASSERIES	UCB	638	DOUALA

ANNEX II:

LIST OF WHOLESALE DISTRIBUTORS AUTHORISED TO APPLY THE 50% REDUCTION IN THE BASIS FOR CALCULATING THE ADVANCE PAYMENT ON PURCHASES

LIST OF DISTRIBUTORS OF THE SOCIETE ANONYME DES BRASSERIES DU CAMEROUN (SABC)			
No.	Name of distributors	NIU	Centres of attachment
1	TURBO DISTRIBUTION CENTER SARL	M120100013403Z	CIME YAOUNDE EST
2	TURBO DISTRIBUTION CENTER SARL 2	M120100013403Z	CIME YAOUNDE EST
3	DIGEL SARL	M081812716355U	CIME YAOUNDE EST
4	FRANCKLIN DISTRIBUTION SARL	M071812716224F	CIME YAOUNDE EST
5	DOMI SARL	M120600021516D	CIME YAOUNDE EST
6	DEFOUFOU SARL DISTRIBUTION	M081812717724C	CIME YAOUNDE EST
8	METRO DISTRIBUTION SARL	M010300015044L	CIME YAOUNDE EST
9	KJ SARL	M021912750131P	CIME YAOUNDE EST
10	TCHANI Sarl	M031912753467 W	CIME YAOUNDE EST
11	ETS EST ET FRERES SARL	M011712600810P	CIME YAOUNDE EST
12	BONAS SARL	M071812716175G	CIME YAOUNDE EST
13	ESPOIR DISTRIBUTION SERVICES	M110500019756J	CIME YAOUNDE EST
14	ETS AZOR	P108100435323P	CIME YAOUNDE OUEST
15	DOM'S & FILS DISTRIBUTIONS SARL	M031912754478 W	CIME YAOUNDE OUEST
16	BKOUASS DISTRIBUTION SARL	M071812717796Z	CIME YAOUNDE EST
17	STE PRETTY WOMAN SARL (SOPREWO)	M080100012485E	CIME YAOUNDE EST
18	FOE ANDRE	P126300315424T	CIME YAOUNDE EST
19	BIENTINO SARL	M031912755353X	CIME YAOUNDE OUEST
20	BKD ET FILS SARL	M031912752045Z	CIME YAOUNDE OUEST
21	T.GUIMOL SARL	M021912751356S	CIME YAOUNDE EST
22	BOUL SARL	M081812716357X	CIME YAOUNDE EST

23	ETS LE DEBROUILLARD (TEKEM)	P047000118165G	CIME YAOUNDE EST
24	MANTIO SIMO ANNETTE	P068300478475K	CIME CENTRE-EXTERIEUR
25	GUEM'S DISTRIBUTION CENTER SARL	M081812717713Z	CIME YAOUNDE EST
26	TCHINDA & SOINS DISTRIBUTION SARL	M081812716351Q	CIME YAOUNDE EST
27	DAKO SARL	M031912752047B	CIME YAOUNDE EST
28	TENKEU ET FILS SARL	M021912751757 M	CIME YAOUNDE EST
29	OMB'S SARL	M071812716205C	CIME YAOUNDE EST
30	ONE SARL	M041913956500T	CIME YAOUNDE OUEST
31	MASTER FOODS SARL	M021612502314R	CIME YAOUNDE EST
32	MASTER FOODS SARL	M021612502314R	CIME YAOUNDE EST
33	LA CHOPE SARL	M101000033721E	CIME YAOUNDE EST
34	SODIBOIS SARL	M121712658155G	CIME YAOUNDE EST
35	SOCIETE D'IMPORTATION DES PRODUITS ALIMENTAIRES (SIDPA SARL)	M111712668382U	CIME YAOUNDE OUEST
36	WORLD DISTRIBUT° SERVICES SARL	M100300016452X	DGE
37	SOPREWO SARL	M080100012485E	CIME YAOUNDE EST
38	ABEN'S DISTRIBUTION SARL	M071812716190F	CIME YAOUNDE EST
39	ANGAGE DISTRIBUTION SARL	M071812716231E	CIME YAOUNDE EST
40	STE ANONYME PLASTBIO INTERNATIONAL	M031612518510T	CIME YAOUNDE EST
41	PEMIAF DISTRIBUTION SARL	M071812716341S	CIME YAOUNDE EST
42	ONGANDJI ET FILS SARL	M071812716184H	CIME YAOUNDE EST
43	LAMAB DISTRIBUTION SARL	M071812717795Y	CIME YAOUNDE EST
44	NYANGA SARL	M021912751753H	CIME YAOUNDE OUEST
45	PEREY SARL	M021912751238E	CIME YAOUNDE EST
46	SAM & JANE DISTRIBUTIONS SARL	M021912752210N	CIME YAOUNDE EST
47	DK SARL	M031912755034L	CIME YAOUNDE OUEST
48	RAMSES DISTRIBUTION SARL	M031912754476T	CIME YAOUNDE OUEST

49	MBA NDJIAN SARL	M081812719735Z	CIME YAOUNDE OUEST
50	DAGO SARL	M031912752046A	CIME YAOUNDE EST
51	LORAMA SARL	M031912753726T	CIME YAOUNDE OUEST
52	GREAT BELL SARL	M031912753727U	CIME YAOUNDE EST
53	SHEKINA SARL	M071812716219J	CIME YAOUNDE EST
54	3K SARL	M031912756325P	CIME YAOUNDE EST
55	DJOFEUH SARL	M031912756323 M	CIME YAOUNDE EST
56	NDES & SON DISTRIBUTION SARL	M031912752373L	CIME YAOUNDE EST
57	SOPREWO SARL (Eséka)	M080100012485E	CIME YAOUNDE EST
58	FOMO ET FILS SARL	M081812718713 W	CIME YAOUNDE EST
59	CENTRE DISTRIBUT. BOISSON & SCES SARL	M081812719379T	CIME YAOUNDE EST
60	MALATA MOUKO OLIVE	P037700176477T	CIME CENTRE-EXTERIEUR
61	MOUDASSI EPSE NKOGO	P026400347108J	CIME KRIBI
62	YONGA ET FILS SARL	M031912755351U	CIME CENTRE-EXTERIEUR
63	SOCIETE CELESTIN MIBE ET COMPAGNIE (CEMICO)	M060512338986U	CIME KRIBI
64	SOCIETE DE DISTRIBUTION DES BOISSONS (SODIBOIS NOUKUIMI)	M129900019708B	CIME KRIBI
65	TG DISTRIBUTION SARL	M031912752323A	CIME KRIBI
66	STE ONDOA NGAH DISTRIBUTION SARL U	M041912771128A	CIME KRIBI
67	LASER DISTRIBUTION SARL	M081812717529L	CIME YAOUNDE EST
68	STE LA PRINTANIERE	M111412174259L	CIME CENTRE-EXTERIEUR
69	STE DES ETS ESSIMI MON FRERE	M040400042352L	CIME CENTRE-EXTERIEUR
70	SOCIETE MOUKO AGABASSA SARL	M021400048787U	CIME CENTRE-EXTERIEUR
71	KOFANA CHARLES	P025600056793Y	CIME CENTRE-EXTERIEUR
72	AWONGO ETIENNE	P085912657238S	CIME CENTRE-EXTERIEUR
73	AMAN DISTRIBUTION SARL	M121812731399J	CIME YAOUNDE OUEST
74	MATONGO DISTRIBUTION SARL	M021912749349J	CIME YAOUNDE EST

75	C'MABLESS SARL	M071913913986Y	CIME CENTRE-EXTERIEUR
76	ASS & MESS SARL	M071913925458R	CIME CENTRE-EXTERIEUR
77	DEM SARL	M071913913993X	CIME CENTRE-EXTERIEUR
78	DISTRIBUTION TOUS AZIMUTS SARL	M119400002562G	CIME CENTRE-EXTERIEUR
79	STE BEN BENJO	M081812717840N	CIME BERTOUA
80	STE KYH DISTRIBUTIONS	M031912751769 M	CIME BERTOUA
81	STE BRYAN & MIGUEL	M051912784367Z	CIME YAOUNDE EST
82	STE CONCORDIA	M081812717832N	CIME BERTOUA
83	STE SA'ADA	M081812717836S	CIME BERTOUA
84	STE NDZ DISTRIBUTIONS	M081812717844S	CIME BERTOUA
85	STE MOLO & FRERES	M081812717851R	CIME BERTOUA
86	STE BRASS DISTRIBUTIONS	M081812717848X	CIME BERTOUA
87	DIVINES DESS SARL	P078112246072N	CIME CENTRE EXTERIEUR
88	STE KAGOM	M021912751639Z	CIME BERTOUA
89	ETS UNIVERSEL	M110300017285C	CIME BERTOUA
90	LA GENERALE D'AYOS	M080000011862Z	CIME CENTRE EXTERIEUR
91	ETS DECONKA	P127300188772Q	CIME BERTOUA
92	ETS NZALLI	M111612581286R	CIME BERTOUA
93	ETS KDA	P038012468177Y	CIME BERTOUA
94	STE SECOMI SARL	M011712585822S	CIME DOUALA AKWA 1
95	STE HORIZON DISTRIBUTION SCES	M061100038016S	CIME LITTORAL-EXTERIEUR
96	STE JM DISTRIBUTION SARL	M121300048483E	CIME DOUALA AKWA 2
97	STE FOKA DISTRIBUTION	M101412151028D	CIME DOUALA AKWA 1
98	WINES AND MORE	M021200040356F	CIME DOUALA BONANJO
99	TROI FOI RIEN	M041200041673C	CIME DOUALA AKWA 1
100	DOVV DISTRIBUTIONS	M060300015417E	DGE
101	STE CAMEROUNÂ DES VENDEURS SARL(DEIDO)	M111612578526E	CIME DOUALA AKWA 1

102	STE CAMEROUNÂ DES VENDEURS SARL(NEW BELL)	M111612578526E	CIME DOUALA AKWA 1
103	STE ESPACE ROYAL SARL	M071000032599N	CIME DOUALA AKWA 1
104	GECIN SARL	M110300039040C	DGE
105	ABENA BASILE CHIMENE SARL	M081812717549Q	CIME DOUALA AKWA 2
106	ALL BUSINESS SUPPLIER SARL	M081812717554 M	CIME DOUALA EXTERIEUR
107	TADJOU DISTRIBUTION SARL	M081812718158U	CIME DOUALA EXTERIEUR
108	NJO'O DISTRIBUTION SARL	M081812717550H	CIME DOUALA AKWA 1
109	KOPS MONDE DISTRIBUTION SARL	M011912734499S	CIME LITTORAL EXTERIEUR
110	DESSAP DISTRIBUTION SARL	M081812718905S	CIME DOUALA EXTERIEUR
111	KOUOTANG MOTSEBO SERVICES SARL	M081812719482Z	CIME DOUALA AKWA 2
112	TSANANG DISTRIBUTION SARL	M111812730869P	CIME DOUALA AKWA 2
113	KENDJE TCHOUANYEP JANGUE DISTRIBUTION	M081812720042K	CIME DOUALA AKWA 2
114	LEMO DISTRIBUTION SARL	M111812729869B	CIME DOUALA BONANJO
115	FIRST STEP DISTRIBUTION SARL	M111812730025P	CIME DOUALA AKWA 1
116	SOCIETE COMMERCIALE POUR DISTRIBUTION(SOCODISS)	M081812719484B	CIME LITTORAL-EXTERIEUR
118	MERVEILLE DISTRIBUTION SARL	M111812729004 W	CIME DOUALA AKWA 2
119	NJI DISTRIBUTION SARL	M091812722424Q	CIME DOUALA AKWA 2
120	WANKO DISTRIBUTION SARL	M111812730145E	CIME DOUALA AKWA 2
121	TOMSHI DISTRIBUTION & SERVICES SARL	M081812719485C	CIME DOUALA AKWA 2
122	GRACE DISTRIBUTION & AMENAGEMENT SARL	M081812720041J	CIME DOUALA BONANJO
123	BALESSING DISTRIBUTION SARLB.D	M081812717548P	CIME DOUALA BONANJO
124	GLOBAL BUSINESS DISTRIBUTION SARL	M081812718157T	CIME DOUALA AKWA 1
125	TODJOM DISTRIBUTION SARL	M081812717547N	CIME LITTORAL EXTERIEUR
126	BANDJA DISTRIBUTION SARL	M121812732231Y	CIME LITTORAL EXTERIEUR
127	DAH-KEN SARL	M090100012890Q	CIME DOUALA AKWA 2

128	GECIN SARL	M110300039040C	DGE
129	STE ESPACE ROYAL SARL	M071000032599N	CIME DOUALA AKWA 1
130	ETS DISTRIBUTION CLASSIQUE	P035612523855R	CIME DOUALA AKWA
131	STE LYMA	M011400048659J	CIME DOUALA AKWA 2
132	ETS HEMLE	P056412629123W	CIME DOUALA AKWA 2
133	DOVV SARL	M060300015417E	DGE
134	LA FAMILIALE	P088700471084K	CIME DOUALA AKWA 2
135	GK DISTRIBUTION	M081812719219U	CIME DOUALA AKWA 2
136	FIRST DISTRIBUTION SARL	M081812719201J	CIME DOUALA AKWA 1
137	TALEL DISTRIBUTION SARL	M091812728139 W	CIME DOUALA AKWA 2
138	SANDA DISTRIBUTION SARL	M081812720844Z	CIME DOUALA AKWA 2
139	PAT DISTRIBUTION SARL	M121812732834R	CIME DOUALA AKWA 2
140	ATF DISTRIBUTION SARL	M081812719214P	CIME DOUALA AKWA 2
141	DREAM TEAM DISTRIBUTION	M081812719888Z	CIME DOUALA AKWA 2
142	AD DISTRIBUTION SARL	M091812721407S	CIME DOUALA AKWA 2
143	E2F DISTRIBUTION SARL	M081812719886X	CIME DOUALA AKWA 2
144	KAM DISTRIBUTION SARL	M081812719208R	CIME DOUALA BONANJO
145	FAJOTIND SARL	M081812719227U	CIME DOUALA AKWA 2
146	BMD DISTRIBUTION SARL	M081812719204 M	CIME DOUALA AKWA 2
147	PROFOGER SARL	M081812719889A	CIME DOUALA AKWA 2
148	TLG SARL	M091812721298R	CIME DOUALA AKWA 2
149	TIM'S DISTRIBUTION	M081812718890 W	CIME DOUALA AKWA 2
150	T&W GLOBAL DISTRIBUTION SARL	M081812719212 M	CIME DOUALA BONANJO
151	GOLD COMPANY SARL	M081812719223Q	CIME DOUALA AKWA 2
152	YOUM'S DISTRIBUTION SARL	M081812719440N	CIME DOUALA AKWA 2
155	ETS. NGUIFO JEAN	P066600313263L	CIME LITTORAL-EXTERIEUR
157	ETS. PEGAGA CHRISTOPHE	P097700413214P	CIME LITTORAL-EXTERIEUR
159	ATOH JEREMIAH	P015912491168N	CIME LITTORAL-EXTERIEUR

160	STE VISION DISTRIBUTION SARL	M091412151467Z	CIME LITTORAL-EXTERIEUR
161	ETS ETML	P016911646617H	CIME LITTORAL-EXTERIEUR
162	SIMO SARL	M020700024075E	CIME LITTORAL-EXTERIEUR
163	STE KRIBIENNE DE DISTRIBUT° DE BOISSONS	M101812731088G	CIME KRIBI
164	MOSAÏQUES	M021512262239 W	CIME KRIBI
165	BONNUS SARL	M101812724496G	CIME KRIBI
166	MIGUEL	M101812728079Z	CIME KRIBI
167	FLORA	M101812724501S	CIME KRIBI
168	STE KISIDO	M091812723308B	CIME LITTORAL-EXTERIEUR
169	STE SAFAB	M091812723310U	CIME LITTORAL-EXTERIEUR
170	STE HASA	M091812724014N	CIME LITTORAL-EXTERIEUR
171	STE PEMSA	M041912783497Z	CIME LITTORAL-EXTERIEUR
172	STE PRAISES	M041912783495X	CIME LITTORAL-EXTERIEUR
173	HAPPICAM	M121100039184X	CIME LIMBE
174	COUNTRY MAN	M030600020262K	CIME LIMBE
175	FONKBLAND	M011200041121Y	CIME LIMBE
176	ETS KUETE TCHINDA MARTIN	P067200181064J	CIME BAFOUSSAM
○1 77	STE TSAPO SARL	M010700023084N	CIME BAFOUSSAM
178	STE VIE TRANQUILLE	M081100039561Q	CIME BAFOUSSAM
179	SOCIETE FO.SI SARL	M081812717767P	CIME BAFOUSSAM
180	SOCIETE FOPA SARL	M081712718778U	CIME BAFOUSSAM
181	KTS SARL	M081812717764L	CIME BAFOUSSAM
182	SOCIETE LACMAGO ET FILS SARL	M021912751518H	CIME BAFOUSSAM
183	SOCIETE MW DISTRIBUTION SERVICE SARL	M091812722310Y	CIME BAFOUSSAM
184	SOCIETE FERME FAMILIALE SARL	M011100034685G	CIME BAFOUSSAM
185	SOCIETE PRESS-COM SARL	M051000037234E	CIME LIMBE

186	SOCIETE NOUVELLE DE DISTRIBUTION	M040500018855S	DGE
187	NANA TEMEZE FRANCIS	P109000543831W	CIME BAFOUSSAM
188	SOCIETE KOMGUEP JEAN MICHEL SARL	M081812717388B	CIME BAFOUSSAM
189	SOCIETE FOMO SARL	M081812717508F	CIME BAFOUSSAM
190	SOCIETE MEGUIA DISTRIBUTION COMPANY	M081812717503A	CIME BAFOUSSAM
192	FANS COMPANY LIMITED	M010300016284N	CIME BAFOUSSAM
193	SOCIETE G.K DISTRIBUTION SARL	M081812718781J	CIME BAFOUSSAM
194	SOCIETE FOLEO SARL	M081812718773J	CIME BAFOUSSAM
195	FOZAO & SONS CO.LTD	M031912755560S	CIME BAFOUSSAM
196	SOCIETE WANTECE SARL	M031912754591D	CIME BAFOUSSAM
197	SOEDI SARL (STE ECLAIR DISTRIB SARL)	M120900031714Q	CIME BAFOUSSAM
198	SOCIETE BOICAM DISTRIBUTION SARL	M111100038925E	CIME BAFOUSSAM
199	SOCIETE DE DISTRIBUTION & DE SERVICE SUARL	M091812720342N	CIME DSCHANG
200	DOVV DISTRIBUTION SARL	M060300015417E	DGE YAOUNDE
201	SOTRACODIM	M080200013861F	DGE YAOUNDE
202	SOCIETE TK DISTRIBUTION SARL	M081812717314G	CIME BAFOUSSAM
203	DSK SARL	M021912748146 M	CIME BAFOUSSAM
204	GEBUCOM SARL 2	M120400017892G	CIME BAFOUSSAM
205	SOCIETE NER SARL	M081812717773 M	CIME BAFOUSSAM
206	STE AFNEH SARL	M031912753591G	CIME BAFOUSSAM
207	SOCIETE SIPALE DISTRIBUTION & SERVICES SARL	M081812718766K	CIME BAFOUSSAM
208	GENERAL BUSINESS COMPANY SARL	M120400017892G	CIME BAFOUSSAM
209	SOCIETE 3M CAMEROUN SARL	M081812717320E	CIME BAFOUSSAM
210	SOCIETE TILA SARL	M081812717496 M	CIME BAFOUSSAM
211	SOCIETE F.F.F. DISTRIBUTION SARL	M031912753589N	CIME BAFOUSSAM
212	STE FONOFI SARL	M011300048176L	CIME BAFOUSSAM
213	ETS KUATE	P106400202637H	CIME NGAOUNDERE

214	FOKOUA NDJOMO SIMEON	P065200351093U	CIME NGAOUNDERE
215	STE DOUF SARL	M031912753576H	CIME BAFOUSSAM
216	TEC SARL	M031912753607E	CIME BAFOUSSAM
217	PIANTA MARIE C.	P056900319241Y	CIME BAMENDA
218	SOCIETE DES ETS MONKAM (S.E.M) S.A	M027800003691Z	DGE
219	FOPA GILBERT	P056900066181X	CIME BAMENDA
220	WYSENYUY FIDELIA AND SONS LIMITED	M121712669953X	CIME BAMENDA
221	ETS. TSAYEM AND SON'S	P106500047738Y	CIME BAMENDA
222	P.L.D.E.	M010000026851T	CIME BAMENDA
223	HAMA GILBERT	P015900084209B	CIME GAROUA
224	YAYA HADABI	P038812242959G	CIME GAROUA
225	SOCIETE COMMERCIALE MAMOUDOU ET FILS	M021812678344 W	CIME GAROUA
226	ALI BABBA	P017500372826S	CIME GAROUA
227	OUMAROU MOHAMAN	P016612313865Y	CIME GAROUA
228	Ets. BANDOU CHRISTIAN	P058100562525D	CIME GAROUA
229	Ets. KAIGAMA NGANDI DAMBA	P016800415705B	CIME GAROUA
230	Ets. NGATCHA FABRICE JUVET	P077400273990W	CIME GAROUA
231	Ets. ALAIN BERTIN KEGNE	P087300469813D	CIME GAROUA
232	Ets. YAYA HAMAN	P018400430746U	CIME GAROUA
233	Ets. NDOUMBA	P018500570229L	CIME GAROUA
235	ETS GORSOU ANTOINE	P126300456941Y	CIME GAROUA
236	NZIKO ANDRE	M068600000606C	CIME YAOUNDE OUEST
237	ROUI GAVOUNANG	P016900115462W	CIME MAROUA
238	BALARABE ISSA	P127912498484N	CIME MAROUA
239	SAHEL LOGISTIQUE Sarl	M010900026376A	CIME MAROUA
240	Ets. ENGAMBA & FILS	P088200508488T	CIME MAROUA
241	Ets. HAPPI DANIE	P036100230925F	CIME MAROUA
242	Ets. RAINA & FILS	P016500428105B	CIME MAROUA
243	Ets. WANDJI FEUNBAH PAT COLINCE	P028100559475K	CIME MAROUA

244	Ets. ZAYADI LEFE	P017200378057K	CIME MAROUA
245	Ets ZOKMEPENG Gustave	P097500562828L	CIME MAROUA
247	KEUMEGNE EMMANUEL	P037300061718B	CIME NGAOUNDERE
248	SODIBONO	M030100015674K	CIME GAROUA
249	ETS A. NZIKO SARL	M068600000606C	CIME YAOUNDE OUEST
250	HAROUNA HASSANA	P016700088182M	CIME NGAOUNDERE
255	C D E N EDEME (KOUSSERI)	M121612604331U	CIME MAROUA
256	C D E N EDEME (SDP YAGOUA)	M121612604331U	CIME MAROUA

ANNEX III:

LIST OF DISTRIBUTORS OF THE COMPANY GUINNESS CAMEROON S.A.

No.	Name of distributors	NIU	Centres of attachment
1	Africa Business Corporation SARL	M111300047829Z	CIME LITTORAL-EXTERIEUR
2	ALONGMO Jimmy Golvice	P038500576993S	CIME YAOUNDE
3	AMIN AKAMIN Bernard	P015000160674R	CIME LIMBE
4	ATOMIC Distribution	M070900028026Z	CIME BAFOUSSAM
5	BILENG Barnabas AZAMAH	P055800309043L	CIME LIMBE
6	Bruno& Company Limited	M051812705244N	CIME LIMBE
7	Centre de Distribution des Produits	M090600021126Q	CIME YAOUNDE OUEST
8	Distribution Plus SA	M011712586008R	CIME YAOUNDE EST
9	DJIONGO SARL	M101612572915T	CIME YAOUNDE OUEST
10	Espoir Distribution SARL	M101812725597Q	CIME BERTOUA
11	Ets Planète Services	P088112629506U	CIME YAOUNDE
12	G Distributions Services SARL	M031712617000C	CIME MAROUA
13	Global Strategic Business Company LTD	M060500019139E	CIME LIMBE
14	Intelligrence Telecom	M011112585020Y	CIME KRIBI
15	JD Distribution & Services	M080600021121P	CIME DOUALA AKWA 2
16	JIPEDIS SARL	M090600021147W	CIME YAOUNDE
17	MAND CO SARL	M010700021787Z	CIME YAOUNDE
18	MGC Brothers & Sons	M011200039916D	CIME GAROUA
19	MUNA MUKORO John	P095600125199D	CIME LIMBE
20	NEALIKO Distribution LTD	M061512375913K	CIME LIMBE
21	Providence Distribution Services	M080600021118U	CIME YAOUNDE EST
22	SAGEL Négoce	M061300046150K	CIME YAOUNDE EST
23	SANDE Topline Services	M041300045465M	CIME BAMENDA
24	SOCIETE GENERALE DE DISTRIBUTION DU CAMEROUN	M070800025551U	CIME KRIBI
25	SOCIETE SIEGASIE	M011712616664X	CIME KRIBI

26	Spider Distribution SARL	M080600021289X	CIME BERTOUA
27	Sté Armando SARL	M011812673371U	CIME YAOUNDE OUEST
28	Sté Christ Joel Distribution SARL	M011712599735U	CIME DOUALA AKWA 2
29	Sté de Distribution des Produits Alimentaires du Cameroun	M011400048882E	CIME DOUALA AKWA 2
30	Sté Dream Distribution SARL	M041512488882N	CIME DOUALA AKWA 2
31	Sté ELY-MAN SARL	M061512374390M	CIME BERTOUA
32	Sté MAGNE Rebecca SARL	M021712627503Y	CIME LITTORAL-EXTERIEUR
33	Sté OUMAROUST	M031200040985X	CIME MAROUA
34	Sté Roberted Global Services SARL	M021812676287P	CIME DOUALA AKWA 2
35	Sté SOCADIN SUARL	M021612500144H	CIME DOUALA AKWA 2
36	TANG NKUEKO Serge Nathan	P078012603324M	CIME DOUALA AKWA 2
37	TEBOH MBAH Georges	P115800194037G	CIME LIMBE
38	TSAGA Distribution SARL	M091612569023J	CIME BAFOUSSAM
39	World Business SARL	M121712669467Z	CIME CENTRE-EXTERIEUR
40	YANKOUA Elvis	P097000007000H	CIME CENTRE-EXTERIEUR
41	YEMELI Arserne Hubert	P127200489438K	CIME BAFOUSSAM

ANNEX IV:

LIST OF DISTRIBUTORS OF THE CAMEROONIAN UNION OF BREWERIES (UCB)

No.	Name of distributors	NIU	Centres of attachment
1	3C Cameroun SAS	M081712641591B	DGE
2	ACHANYI and Sons Enterprise LTD	M080600027725P	DGE
3	BIMEH MBANGA	P117300260446T	CIME BAMENDA
4	Cameroon Marketing Commoditie	M069900012359J	DGE
5	Central Distribution and Services	M101812756308Y	CIME DOUALA AKWA 2
6	CHULA Célestin	P097400473096F	CIME BAFOUSSAM

7	DJOMSSI Epse WAMBA TEMGOUA Odette M	P016412268794N	CIME YAOUNDE EST
8	DOMCHE ZALI Ancharlaine Laure	P089512599761K	CIME YAOUNDE EST
9	FOKA Léopold	P016700206911E	CIME DOUALA AKWA 2
10	FOMENE KUETE Duplex	P037800360790N	CIME BAMENDA
11	FOWADA Oscar	P087600266639B	CIME BAFOUSSAM
12	GAMGO Martine	P067000341602U	CIME DOUALA AKWA 2
13	HAPPICAM Company LTD	M121100039184X	CIME LIMBE
14	KAMGANG Marlyse Aimée	P108012300166F	CIME CENTRE-EXTERIEUR
15	KENFACK Michel	P087212270647Z	CIME DOUALA AKWA 2
16	KENGNE MBOUJE KO Charlotte	P037900423129K	CIME YAOUNDE EST
17	KUEKAMSI SARL	M051411998285L	CIME YAOUNDE OUEST
18	MATCHIM Marie Christiane	P097900579116U	CIME CENTRE-EXTERIEUR
19	NAMEKEM Honorine Epse TALOM	P097412330509Z	CIME BAFOUSSAM
20	NGUEZET Collinces	P097000243928B	CIME DOUALA AKWA 2
21	NOTOUM Abel	P127100445752Z	CIME BAFOUSSAM
22	NOUBISSI Gabriel	P0880012150349J	CIME CENTRE-EXTERIEUR
23	Société de Représentation et Distribution	M081712640854G	CIME BERTOUA
24	SOH FOTSING Benoit	P027512247664L	CIME YAOUNDE EST
25	Sté 3KS SARL	M011400048490L	CIME DOUALA AKWA 2
26	Sté Mosaïques SARL	M021512262239W	CIME KRIBI
27	Sté Saturne Services SARL	M021512261027Y	CIME DOUALA AKWA 1
28	Sté SOCADIN SARL	M021612500144H	CIME DOUALA AKWA 2
29	TAGNE FOTSO Robert	P028412670509F	CIME BAFOUSSAM
30	TAMO Victor	P015712314468K	CIME DOUALA AKWA 2
31	TCHEUDJI Jean Claude	P075700161926Y	CIME LIMBE
32	TEMENOU Bernard	P015100400404Z	CIME DOUALA AKWA 1

ORDER N° 00000018 /MINFI/DGI DU 11 JANUARY 2023 ESTABLISHING THE LIST OF PRIVATE SECTOR COMPANIES, MIXED COMPANIES, PUBLIC COMPANIES, PUBLIC ADMINISTRATIVE ESTABLISHMENTS, AND LOCAL AND REGIONAL AUTHORITIES, ENTITLED TO WITHHOLD AT SOURCE THE VALUE-ADDED TAX AND THE ADVANCE INCOME TAX FOR THE 2023 FISCAL YEAR

THE MINISTER OF FINANCE,

Mindful of	The Constitution ;
Mindful of	The General Tax Code;
Mindful of	Law N° 2021/026 of 16 December 2021, bearing on the Finance Law of the Republic of Cameroon for the 2022 financial year;
Mindful of	Decree N° 2013/066 of February 28, 2013, organizing the Ministry of Finance;
Mindful of	Decree N° 2011/408 of December 9, 2011, organizing the Government;
Mindful of	Decree N°2015/434 of October 2, 2015 bearing on the reorganization of the Government, modified and complicated by decree N° 2018/191 of March 2 2018
Mindful of	Decree N°2019/002 of January 4, 2019 bearing on the reorganization of the Government.

HEREBY ORDERS AS FOLLOWS:

Section 1. - Under the provisions of sections 21, 92, 92 a, 143 et 149 of the General Tax Code, the following private sector companies, mixed companies, public companies, public establishments and local and regional authorities listed in the appendix of this order are entitled to withhold at source the Value Added Tax and advance payment of the income tax.

Section 2. – With exception to the administrative price scheme provided for in section 21 of the General Tax Code, the aforementioned withholdings are carried out during the settlement of their suppliers' invoices at the rates of 19.25% for the value-added tax and 2.2%, or 5.5% for the advance payment of the income tax for suppliers under the actual or the simplified tax assessment schemes, respectively.

Section 3. - Liberal professionals are liable to withholdings at the 5.5 % rate, irrespective of their tax assessment scheme.

Section 4. - The act constituting liability and the due dates are those provided for by the general tax code.

Section 5. - Any compensation between sums withheld at source and taxes owed by the collector is prohibited.

Section 6. - Local and regional authorities, Public Establishments and the companies listed in the appendix of this order are exempt from the withholding at source on invoices for their reciprocal services.

Section 7. - Local and decentralized bodies, public administrative establishments and companies listed in the appendix shall remit the taxes withheld at source into the coffers of the public treasury before the 15th of the month following that in which the withholdings are carried out.

Section 8. Failure to withhold or remit within the time limit shall be sanctioned per the provisions of the manual of tax procedures.

Section 9. - Failure to remit taxes withheld at source within the deadlines indicated in section 7 above shall immediately entail the application of forceful collection procedures provided for by the General Tax Code, without any prejudice of the sanctions defined by section 11 below.

Section 10. - Taxpayers enabled to withhold shall append to their annual tax returns, a list of all companies on which they have withheld taxes alongside their tax payers' numbers and the corresponding taxes withheld.

Section 11. - The entitlement to withhold at source can be suspended or temporarily awarded by the Director-General of Taxation during an exercise.

Section 12. - The Director-General of Taxes, the Director-General of the Treasury and Financial and Monetary Cooperation and the Director-General of the Budget shall each be charged in what concerns the application of this Order.

Section 13. - This order shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

THE MINISTER OF FINANCE

LOUIS PAUL MOTAZE

APPENDIX I

LIST OF PRIVATE COMPANIES AUTHORISED TO WITHOLD TAXES AT SOURCE FOR 2022 FISCAL YEAR

N°	BUSINESS NAME	ABBREVIATION	BP	LOCALISATION
1.	3S MOTORS	3S MOTORS	423	DOUALA
2.	ACTIVA ASSURANCES	ACTIVA ASSURANCES	12970	DOUALA
3.	ADDAX PETROLEUM CAMEROUN COMPANY LCC	ADDAX PETROLEUM	1468	DOUALA
4.	AFRILAND FIRST BANK	AFRILAND	11834	YAOUNDE
5.	AFRICA SECURITY	AFRICA SECURITY	1489	DOUALA
6.	ALIOS FINANCE SA	SOCCA	2552	DOUALA
7.	ALLIANZ CAMEROUN ASSURANCES	ALLIANZ	105	DOUALA
8.	ALPICAM	ALPICAM	2130	DOUALA
9.	ALPICAM INDUSTRIE	ALPICAM INDUSTRIE	2130	DOUALA
10.	AMAL SIMI CAMAROES SARL	ASC	12982	DOUALA
11.	APM TERMINALS CAMEROON S.A	APMT	12414	DOUALA
12.	ARAB CONTRACTORS CAMEROUN	ARAB CONTRACTORS	14717	YAOUNDE
13.	AXA ASSURANCES	AXA ASSURANCES	4068	DOUALA
14.	AZUR S.A	AZUR	378	DOUALA
15.	BANQUE ATLANTIQUE CAMEROUN	BANQUE ATLANTIQUE	3791	DOUALA
16.	BANGE BANK CAMEROUN	BANGE CMR SA	34692	YAOUNDE
17.	BAT CAMEROUN	BAT CAMEROUN	94	YAOUNDE
18.	BERNABE CAMEROUN	BERNABE CAMEROUN	529	DOUALA
19.	BESIX CAMEROUN	BESIX CAMEROUN	3124	DOUALA
20.	BGFI BANK CAMEROUN	BGFI BANK	660	DOUALA
21.	BIA CAMEROUN	BIA CAMEROUN	1935	DOUALA
22.	BLESSING PETROLEUM S.A	BLESSING PETROLEUM S.A	5405	DOUALA
23.	BOCOM PETROLEUM	BOCOM	12262	DOUALA
24.	BOISSONS VINS SPIRITUEUX	BVS SAS	4036	DOUALA
25.	BVS DISTRIBUTION SAS	BVS DISTRIBUTION	1352	DOUALA

26.	BOLLORE AFRICA LOGISTICS CAMEROUN	BAL CAM	320	DOUALA
27.	BOUYGUES ENERGIES & SERVICES CAMEROUN	BOUYGUES	3 586	DOUALA
28.	BUN'S	BUN'S	13717	YAOUNDE
29.	CACAO ET QUALITE SARL	CCQ SARL	1115	EBOLOWA
30.	CAMACO	CAMACO	47	KUMBA
31.	CAMEROUNAISE DE CONSTRUCTION NACHTIGAL	CCN	3124	DOUALA
32.	CAMEROUN MOTORS INDUSTRIES	CAMI	1217	DOUALA
33.	CAMUSAT CAMEROUN	CAMUSAT	2407	DOUALA
34.	CAMEROON OIL TERMINAL S.A	COTSA	2214	DOUALA
35.	CAMEROON UNITED FOREST	CUF	15181	DOUALA
36.	CAMOCO SARL	CAMOCO	240	FOUMBOT
37.	CFAO TECHNOLOGIES	CFAO TECHNOLOGIES	12937	DOUALA
38.	CHANAS ASSURANCE	CHANAS ASSURANCE	109	DOUALA
39.	CHAUDRONNERIE MONTAGE TUYAUTERIE SOUDURE	CMTS	12956	DOUALA
40.	CHINA COMMUNICATION CONSTRUCTION COMPANY CAMEROON	CCCC	6532	DOUALA
41.	CHINA FIRST HIGHWAY ENGINEERING COMPANY	CFHECC	6532	MBANGA
42.	CHINA HARBOUR ENGINEERING COMPANY LIMITED	CHEC CAMEROUN	6532	MBANGA
43.	CHINA INTER WATER & ELECTRIC CORPORATION	CWE	7761	YAOUNDE
44.	CHINA ROAD AND BRIGDE CORPORATION	CRBC CO	6532	NYALLA
45.	CHOCOCAM	CHOCOCAM	275	DOUALA
46.	COMPAGNIE D'OPERATION PETROLIERE SCHLUMBERGER	COPS SCHLUMBERGER	5399	DOUALA
47.	CIFM	CIFM	394	DOUALA
48.	CIMAF CAMEROUN S.A	CIMAF	9457	DOUALA

49.	CITI BANK NA CAMEROUN	CITI BANK NA CAM	4571	DOUALA
50.	COLOR CERAMICA	COLOR CERAMICA	5999	DOUALA
51.	COMPAGNIE AFRICAINE DE TANSPORT CAMEROUN	CAT CN	4385	DOUALA
52.	COMPAGNIE DE COMMERCE ET DE TRANSPORT	C C T EXPORT	5908	DOUALA
53.	COMPAGNIE DE TRAITEMENT ET D'EXPORTATION DU CACAO-CAFE	COTEC	5134	DOUALA
54.	COMPAGNIE FORESTIERE DE KRIBI	CFK	53	KRIBI
55.	COMPAGNIE INDUSTRIELLE ET COMMERCIALE	CIC SARL	1716	DOUALA
56.	CONGELCAM	CONGELCAM	7180	YAOUNDE
57.	CONSTRUCTION CARROSSERIE MENUISERIE METALIQUE	CCMM	2581	DOUALA
58.	CONTINENTAL OIL TRANSPORTATION OPERATING CITERNES	COTOC	4879	DOUALA
59.	CREDIT COMMUNAUTAIRE D'AFRIQUE - BANK SA	CCA - BANK S.A	1573	YAOUNDE
60.	DACAM	DACAM	4028	DOUALA
61.	DANGOTE CAMEROUN INDUSTRIES	DANGOTE	4839	DEIDO
62.	DELTA PETROLEUM	DELTA PETROLEUM		
63.	ECAM PLACAGE	ECAM PLACAGE	76	MBALMAYO
64.	ECOBANK CAMEROUN	ECOBANK CAMEROUN	582	DOUALA
65.	ELECNOR CAMEROUN	ELECNOR	11679	YAOUNDE
66.	ENTREPRISE NOUVELLE D'ELECTROMECANIQUE	ENEM		
67.	ERES CAMEROUN	ERES	3891	DOUALA
68.	ESER CONTRACTING & INDUSTRY	ESER CONTRACTING	6650	YAOUNDE
69.	ETS NDONGO ESSOMBA	NDONGO ESSOMBA	4425	YAOUNDE
70.	EXPLOITATION FORESTIERE MIGUEL KOURY	EFMK	3181	DOUALA

71.	FABRIQUE CAMEROUNAISE DE PARQUET	FIPCAM	7479	YAOUNDE
72.	FERRERO CAMEROUN SA	FERRERO CAMEROUN	16256	DOUALA
73.	FOBS LIMITED	FOBS LTD	5913	DOUALA
74.	FRIEDLANDER CAMEROUN	FRIEDLANDER CAM	5731	DOUALA
75.	GAZ DU CAMEROUN	GAZ DU CAMEROUN	4312	DOUALA
76.	GRAPHICS SYSTEM	GRAPHIC SYSTEM	3045	DOUALA
77.	GREEN OIL	GREEN OIL	8228	YAOUNDE
78.	GREEN VALLEY INC	GREEN VALLEY	1605	DOUALA
79.	GROUPE ARNO	ARNO	664	DOUALA
80.	GRUMCAM	GRUMCAM	1959	DOUALA
81.	GUINNESS CAMEROUN	GUINNESS	8149	DOUALA
82.	GULFcam	GULFcam	3876	DOUALA
83.	HORIZON PHYTO PLUS	HPP	2131	DOUALA
84.	HUAWEI TECHNOLOGIES COMPANY CAMEROON	HUAWEI TECHNOLOGIES	4427	YAOUNDE
85.	I ENGINEERING CAMEROON SARL	IENG	4143	DOUALA
86.	IHS CAMEROUN	IHS CAMEROUN	1245	DOUALA
87.	KALFRELEC SARL	KALFRELEC	17356	DOUALA
88.	LABOREX CAMEROUN S.A		483	DOUALA
89.	LES BATISSEURS REUNIS	BATISSEURS REUNIS	5908	DOUALA
90.	LES LABORATOIRES BIOPHARMA	BIOPHARMA	1674	DOUALA
91.	LOXEA	LOXEA	4853	DOUALA
92.	MAERSK LINE CAMEROUN SA	MAERSK	12414	DOUALA
93.	MEDCEM CAMEROUN SA	MEDCEM	6787	DOUALA
94.	METROPOLITAN PLASTICS	METROPOLITAN PLASTICS	398	DOUALA
95.	MOBILE TELECOMMUNICATIONS NETWORK	MTN	15574	DOUALA
96.	MOVIS CAMEROUN	MOVIS CAMEROUN	284	DOUALA
97.	MTN MOBILE MONEY	MTN MOMO	15574	DOUALA
98.	MULTIPRINT SA	MULTIPRINT	5238	DOUALA
99.	NAKIRA KAM SARL	NAKIRA KAM	15175	DOUALA
100.	NATIONAL FINANCIAL CREDIT BANK SA	NFC BANK	6578	YAOUNDE
101.	NEPTUNE OIL	NEPTUNE	4760	DOUALA

102.	NESTLE CAMEROUN	NESTLE CAMEROUN	1154	DOUALA
103.	NEGRI PARC A BOIS	NEGRI PARC A BOIS	12153	DOUALA
104.	NEW AGE CAMEROON OFFSHORE PETROLEUM	NEW AGE	12238	DOUALA
105.	NOUVELLE TECHNOLOGIE INDUSTRIELLE DU CAMEROUN	NOTICAM SA	11645	DOUALA
106.	OLAM CAM SARL	OLAM CAM SARL	5207	DOUALA
107.	OMNIUM SERVICES	OMNIUM SERVICES	15474	DOUALA
108.	OLA ENERGY CAMEROUN SA	OLA ENERGY		DOUALA
109.	ORANGE CAMEROUN	ORANGE	1864	DOUALA
110.	ORANGE MONEY CAMEROUN	ORANGE MONEY	1864	DOUALA
111.	PALLISCO	PALLISCO	394	DOUALA
112.	PERENCO OIL & GAZ CAM	PERENCO OIL & GAZ	1255	DOUALA
113.	PERENCO RIO DEL REY	PRDR	2214	DOUALA
114.	PETROLEX SA	PETROLEX	8221	DOUALA
115.	PLANTATIONS DU HAUT PENDJA	PHP	5	PENDJA
116.	PMUC	PMUC	15375	YAOUNDE
117.	PROMETAL	PROMETAL		DOUALA
118.	RAZEL CAMEROUN	RAZEL CAMEROUN	11306	YAOUNDE
119.	ROUTE D'AFRIQUE	ROUTD'AF	12117	DOUALA
120.	SABM	SABM	3181	DOUALA
121.	SAVONS OLEAGINEUX ET COSMETIQUES CAMEROUN	S.O.C CAMEROUN	636	BAFOUSSAM
122.	SCIERIE DU MBAM ET KIM	SCMK	1775	DOUALA
123.	SCR MAYA	SCR MAYA	2851	DOUALA
124.	SEEF	SEEF	5322	DOUALA
125.	SEFAC	SEFAC	942	DOUALA

126.	SEFECAM	SEFECAM	661	DOUALA
127.	SIC CACAO	SIC CACAO	570	DOUALA
128.	SIENCAM	SIENCAM	422	KUMBA
129.	SINOHYDRO CORPORATION LTD	SINOHYDRO	7179	YAOUNDE
130.	SOCAPALM	SOCAPALM	691	DOUALA
131.	SOCAVER	SOCAVER	1456	DOUALA
132.	SOCIETE CAMEROUNAISE DE COMMERCE	CAMCI		DOUALA
133.	SOCIETE CAMEROUNAISE DE FABRICATION DE LUBRIFIANTS	SCEFL		DOUALA
134.	SOCIETE CAMEROUNAISE DE SAVONNERIE	SCS	29	BAFOUSSAM
135.	SOCIETE CAMEROUNAISE D'EQUIPEMENT	SCE	178	YAOUNDE
136.	SOCIETE CAMEROUNAISE DE TRANSFORMATION DU BOIS	SCTB	695	YAOUNDE
137.	SOCIETE GENERALE DE CONSTRUCTION	SGC	14038	YAOUNDE
138.	SOCIETE DE REPRESENTATION ET COMMERCE	SOREPCO	2854	DOUALA
139.	SOCIETE DE TRANSFORMATION DU BOIS ET DE COMMERCE	STBC	15012	DOUALA
140.	SOCIETE DES EAUX MINERALES DU CAMEROUN	SEMC	4036	DOUALA
141.	SOCIETE D'EXPLOITATION DES PARCS A BOIS DU CAMEROUN	SEPBC	1344	DOUALA
142.	SOCIETE DINO & FILS	DINO & FILS JDF	12287	SOA
143.	SOCIETE FORESTIERE DU HAUT NYONG SARL	SOFOHNY	12998	YAOUNDE
144.	SOCIETE FORESTIERE ET INDUSTRIELLE DE LA LOUKOUNDJE	SFIL	1605	DOUALA

145.	SGS SCANNING CAMEROUN SA	SGS	176	DOUALA
146.	SOCIETE INDUSTRIELLE DE MBANG SA	SIM SA	2644	YAOUNDE
147.	SOCIETE KRIBI CONTENEURS TERMINAL	KCT	132	KRIBI
148.	SOCIETE MODERNE DES PNEUMATIQUES CAMEROUN	SMPC	1039	DOUALA
149.	SOCIETE PARLYM CAMEROUN	PARLYM	12153	DOUALA
150.	SOCIETE PRIMO SARL	PRIMO SARL	24222	DOUALA
151.	SOCIETES DES PALMERAIES DE LA FERME SUISSE SA	SPFS	6	EDEA
152.	SOGEA SATOM CAMEROUN	SATOM	5680	DOUALA
153.	SOLEVO	SOLEVO	2368	DOUALA
154.	SOPROPEC	SOPROPEC	695	YAOUNDE
155.	SOROUBAT	SOROUBAT	13227	DOUALA
156.	SOURCE DU PAYS SA	SOURCE DU PAYS	84	MUYUKA
157.	SPEED APPRO	SPEED APPRO	1923	DOUALA
158.	STANDARD CHARTERED BANK	STD CHTD	1784	DOUALA
159.	STBK MAKAMDOP J	STBK	38	BATOURI
160.	SUC SOGEA/SATOM CAMEROUN	SOGEA/SATOM	12153	DOUALA
161.	SUD CAMEROUN HEVEA	SC HEVEA	382	YAOUNDE
162.	SWEDISH MACHINERY & TRUCKS CAMEROON	SMT CAMEROON	3533	DOUALA
163.	TELCAR COCOA LIMITED	TELCAR COCOA	887	DOUALA
164.	TERMINAL MIXTE FRUITIER DE DOUALA	TMFD	5241	DOUALA
165.	TOTAL CAMEROUN SA	TOTAL	4048	DOUALA
166.	TRACTAFRIC EQUIPMENT CAMEROUN	TRACTAFRIC EQ	4017	DOUALA
167.	TRACTAFRIC MOTORS SA	TRACTAFRIC MO	4181	DOUALA

168.	TRANSMISSION MANUTENTION DU CAMEROUN	TMC	1976	DOUALA
169.	TRANSPORT JEAN KHOURY&C	TJK	5683	DOUALA
170.	TROPIK INDUSTRIES CAMEROUN	TROPIK INDUSTRIES	2895	DOUALA
171.	UCB	UCB	638	DOUALA
172.	UNION BANK OF CAMEROON PLC	UBC PLC	15569	DOUALA
173.	UNITED BANK FOR AFRICA	UBA	2088	DOUALA
174.	VIETTEL	VIETTEL	7090	DOUALA

APPENDIX II

LIST OF PUBLIC SECTOR COMPANIES AUTHORISED TO WITHOLD TAXES AT SOURCE FOR 2022 FISCAL YEAR

N°	BUSINESS NAME	ABBREVIATION
1.	AEROPORTS DU CAMEROUN	ADC
2.	AGENCE NATIONALE D'APPUI AU DEVELOPPEMENT FORESTIER	ANAFOR
3.	BANQUE CAMEROUNAISE DES PETITES ET MOYENNES ENTREPRISES	BC-PME SA
4.	CAMAIR-CO	CAMAIR-CO
5.	CAMEROON DEVELOPMENT CORPORATION	CDC
6.	CAMEROON HOTEL CORPORATION	CHC
7.	CAMEROON TELECOMMUNICATIONS	CAMTEL
8.	CAMEROON WATER UTILIES CORPORATION	CAMWATER
9.	CAMEROUN POSTAL SERVICES	CAMPOST
10.	CAMEROUN RADIO AND TELEVISION	CRTV
11.	CREDIT FONCIER DU CAMEROUN	CFC
12.	CRTV MARKETING AND COMMUNICATION AGENCY	CMCA
13.	FONDS SEMENCIER	FONDS SEMENCIER
14.	HOTEL SAWA	HOTEL SAWA
15.	LABORATOIRE NATIONAL DE GENIE CIVIL	LABOGENIE
16.	MEKIN HYDROELECTRIQUE DEVELOPMENT CORPORATION	MEKIN
17.	MISSION D'AMENAGEMENT ET D'EQUIPEMENT DES TERRAINS URBAINS ET RURAUX	MAETUR
18.	MISSION D'AMENAGEMENT ET DE GESTION DES ZONES INDUSTRIELLES	MAGZI
19.	PAMOL PLANTATIONS LIMITED	PAMOL
20.	PORT AUTONOME DE KRIBI	PAK
21.	PORT AUTONOME DOUALA	PAD
22.	REGIE DU TERMINAL A CONTENEURS	RTC

23.	SOCIETE CAMEROUNAISE DES DEPOTS PETROLIERS	SCDP
24.	SOCIETE D'EXPANSION ET DE MODERNISATION DE LA RIZICULTURE DE YAGOUA	SEMRY
25.	SOCIETE DE DEVELOPPEMENT ET D'EXPLOITATION DES PRODUCTIONS ANIMALES	SODEPA
26.	SOCIETE DE PRESSE ET D'EDITION DU CAMEROUN	SOPECAM
27.	SOCIETE DE RECOUVREMENT DES CREANCES DU CAMEROUN	SRC
28.	SOCIETE IMMOBILIERE DU CAMEROUN	SIC
29.	SOCIETE NATIONALE D'INVESTISSEMENT	SNI
30.	SOCIETE NATIONALE DES MINES	SONAMINES
31.	SOCIETE NATIONALE DES HYDROCARBURES	SNH
32.	SOCIETE NATIONALE DE TRANSPORT DE L'ELECTRICITE	SONATREL
33.	SOCIETE SUCRIERE DU CAMEROUN	SOCUCAM

APPENDIX III

LIST OF MIXED ECONOMY COMPANIES AUTHORISED TO WITHOLD TAXES AT SOURCE FOR 2022 FISCAL YEAR

N°	BUSINESS NAME	ABBREVIATION
1.	ALUBASSA	ALUBASSA
2.	ALUCAM	ALUCAM
3.	BANQUE INTERNATIONALE POUR L'EPARGNE ET LE CREDIT	BICEC
4.	CAMEROON OIL TRANSPORTATION COMPANY	COTCO
5.	CAMEROUN RAILWAYS	CAMRAIL
6.	CHANTIER NAVAL ET INDUSTRIEL DU CAMEROUN	CNIC
7.	CIMENTERIES DU CAMEROUN	CIMENCAM
8.	COMMERCIAL BANK OF CAMEROON	CBC
9.	COTONNERIRE INDUSTRIELLE DU CAMEROUN	CICAM
10.	DIBAMBA POWER DEVELOPMENT COMPANY	DPDC
11.	ENEO CAMEROON SA	ENEO
12.	HEVEA DU CAMEROUN	HEVECAM
13.	HOTEL HILTON	HILTON
14.	HYDROCARBURES ANALYSES CONTROLES CAMEROON	HYDRAC
15.	HYGIENE ET SALUBRITE DU CAMEROUN	HYSACAM
16.	KRIBI POWER DEVELOPMENT COMPANY	KPDC
17.	NACHTIGAL HYDRO POWER COMPANY SA	NHPC
18.	SOCIETE ANONYME DES BRASSERIES DU CAMEROUN	SABC
19.	SOCIETE CAMEROUNAISE DE BANQUE-CREDIT AGRICOLE	SCB-CA
20.	SOCIETE DE DEVELOPPEMENT DU CACAO	SODECAO
21.	SOCIETE DE DEVELOPPEMENT DU COTON	SODECOTON
22.	SOCIETE DE DEVELOPPEMENT ET D'EXPLOITATION DES PRODUCTIONS ANIMALES	SODEPA
23.	SOCIETE FORESTIERE ET AGRICOLE DU CAMEROUN	SAFACAM
24.	SOCIETE GENERALE DU CAMEROUN	SGC
25.	SOCIETE NATIOANALE DE TRANSPORT DE L'ELECTRICITE	SONATREL
26.	SOCIETE NATIONALE DE RAFFINAGE	SONARA
27.	TRADEX	TRADEX

APPENDIX IV
LIST OF ADMINISTRATIVE ESTABLISHMENTS AUTHORIZED TO WITHHOLD TAXES AT SOURCE FOR 2022 FISCAL YEAR

N°	BUSINESS NAME	ABBREVIATION
1.	ACADEMIE NATIONALE DE FOOTBALL	ANAFOOT
2.	AGENCE NATIONALE D’INVESTIGATION FINANCIERE	ANIF
3.	AGENCE D’ELECTRIFICATION RURALE	AER
4.	AGENCE DE PROMOTION DE PETITES ET MOYENNES ENTREPRISES	APPME
5.	AGENCE DE PROMOTION DES INVESTISSEMENTS	API
6.	AGENCE DE REGULATION DES MARCHES PUBLICS	ARMP
7.	AGENCE DE REGULATION DES TELECOMMUNICATIONS	ART
8.	AGENCE DE REGULATION DU SECTEUR D’ELECTRICITE	ARSEL
9.	AGENCE DES NORMES ET DE LA QUALITE	ANOR
10.	AGENCE DU SERVICE CIVIQUE NATIONAL DE PARTICIPATION AU DEVELOPPEMENT	ASCNPD
11.	AGENCE NATIONAL D’APPUI AU DEVELOPPEMENT FORESTIER	ANAFOR
12.	AGENCE NATIONAL DE RECHERCHE SUR LE SIDA	ANRS
13.	AGENCE NATIONALE DE RADIO PROTECTION	ANRP
14.	AGENCE NATIONALE DES TECHNOLOGIES DE L’INFORMATION ET DE LA COMMUNICATION	ANTIC
15.	AGENCE POUR LA PROMOTION DES INVESTISSEMENTS	API
16.	ALLIANCE FRANCO-CAMEROUNAISE ET SES DEMEMBREMENTS	AFC
17.	APPUI A LA DECONCENTRATION ET A LA DECENTRALISATION DES ACTIVITES D'ENTRETIEN ROUTIER DU MINTP	ADDACR/MINTP
18.	ASSEMBLEE NATIONALE	AN
19.	AUTORITE PORTUAIRE NATIOALE	APN
20.	BANQUE DE DEVELOPPEMENT DES ETATS DE L'AFRIQUE CENTRALE	BDEAC
21.	BANQUE DES ETATS DE L’AFRIQUE CENTRALE/DIRECTION NATIONALE	BEAC/DN

22.	BOURSE DE SOUS TRAITANCE ET DE PARTENARIAT DU CAMEROUN	BSTP
23.	BUREAU CENTRAL DE RECENCEMENTS ET DES ETUDES DE LA PÖPULATION	BUCREP
24.	BUREAU DE MISE A NIVEAU DES ENTREPRISES	BMN
25.	BUREAU NATIONAL DE L'ETAT CIVIL	BUNEC
26.	CAISSE AUTONOME D'AMORTISSEMENT	CAA
27.	CAISSE DE DEVELOPPEMENT DE L'ELEVAGE DU NORD	CDEN
28.	CAISSE DE STABILISATION DES PRIX DES HYDROCARBURES	CSPH
29.	CAISSE NATIONALE DE PREVOYANCE SOCIALE	CNPS
30.	CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD	CBCEB
31.	CAMEROON CIVIL AVIATION AUTORITY	CCAA
32.	CAMEROON COALITION AGAINST MALARIA	CCAM
33.	CAMEROON DIGIT TV PROJECT	CAM-DTV
34.	CAMEROON OIC	OIC
35.	CAMEROON RADIO TELEVISION	CRTV
36.	CAPP-EST	CAPP-EST
37.	CELLULE D'EXECUTION DU PROJET D'AMENAGEMENT DE YAOUNDE	CEP PADY2
38.	CELLULE INVEST'ELEC	CIEL
39.	CENTRALE NATIONALE D'APPROVISIONNEMENT EN MEDICAMENTS ET CONSOMMABLES MEDICAUX ESSENTIELS	CENAME
40.	CENTRE D'APPROVISIONNEMENT PHARMACEUTIQUE REGIONAL DU NORD	CAPRN
41.	CENTRE D'ANALYSE ET DE RECHERCHE SUR LES POLITIQUES ECONOMIQUES ET SOCIALES DU CAMEROUN	CAMER CAP PARC
42.	CENTRE DE FORMATION AGRICOLE DE NKONJOCK	CFAN
43.	CENTRE DE FORMATION DES ADMINISTRATEURS MUNICIPAUX	CEFAM
44.	CENTRE DES URGENCES DE YAOUNDE	CURY
45.	CENTRE HOSPITALIER D'ESSOS	CHE
46.	CENTRE HOSPITALIER DE RECHERCHE ET D'APPLICATION EN CHIRURGIE ENDOSCOPIQUE ET DE REPRODUCTION HUMAINE	CHRACERH
47.	CENTRE HOSPITALIER UNIVERSITAIRE DE YAOUNDE	CHUY

48.	CENTRE INTERNATIONAL DE REFERENCE CHANTAL BIYA	CIRCB
49.	CENTRE NATIONAL D'APPROVISIONNEMENT EN MEDICAMENTS CONSOMMABLES ESSENTIELS	CENAME
50.	CENTRE NATIONAL D'ETUDES ET D'EXEREMENTATION DU MACHINISME AGRICOLE	CENEEMA
51.	CENTRE NATIONAL DE L'EDUCATION	CNE
52.	CENTRE NATIONAL DE REHABILITATION DES PERSONNES HANDICAPEES CARDINAL PAUL EMILE LEGER	CNRPH
53.	CENTRE PASTEUR DU CAMEROUN (ET ANNEXES)	CPC
54.	CENTRE POUR LE DEPISTAGE DES TESTS DU SIDA	CAMDIAGNOSTIC
55.	CENTRE REGIONAL DE PROMOTION DU LIVRE EN AFRIQUE AU SUD DU SAHARA	CREPLA
56.	CENTRER FOR INTERNATIONAL FORESTY RESEARCH	CIFOR
57.	CENTRES D'APPUI A LA REALISATION DES CONTRATS DE PARTENARIAT	CARPA
58.	CERCLE DE PROMOTION DES FORETS ET INITIATIVES LOCALES DE DEVELOPPEMENT DE MA'AN	CEPFILD
59.	CHAMBRE D'AGRICULTURE DE L'ELEVAGE DES PECHES ET DES FORETS	CAPEF
60.	CHAMBRE DE COMMERCE D'INDUSTRIE, DES MINES ET DE L'ARTISANAT	CCIMA
61.	CHRISTIAN BLIND MISSION	CBM CAMEROON
62.	COMITE CONSULTATIF DE SUIVI PAYS PAUVRES TRES ENDETTES	CCS/SPPTE
63.	COMITE DE COMPETITIVITE ET DE SUIVI SECRETARIAT TECHNIQUE	COCOM
64.	COMITE DE GESTION FAO PAM	CG FAO PAM
65.	COMITE DE SUIVI DU PROJET HYDROELECTRIQUE MEMVE'ELE	CAPM
66.	COMITE NATIONAL DE DESARMEMENT, DE DEMOBILISATION ET DE REINTEGRATION	CNDDR
67.	COMITE NATIONAL DE DEVELOPPEMENT DES TECHNOLOGIES	CNDT
68.	COMITE NATIONAL DE LUTTE CONTRE LE SIDA	CNLS
69.	COMITE NATIONAL OLYMPIQUE ET SPORTIF DU CAMEROUN	CNOSC
70.	COMITE TECHNIQUE DE SUIVI DES PROGRAMMES ECONOMIQUES	CTS

71.	COMMISSION NATIONALE ANTI CORRRUPTION	CONAC
72.	COMMISSION NATIONALE DE PROMOTION DU BILINGUISME	CONAB
73.	COMMISSION NATIONALE DES DROITS DE L'HOMME ET DES LIBERTES	CNDHL
74.	COMMISSION TECHNIQUE DE PRIVATISATION ET DE LIQUIDATION	CTPL
75.	COMMISSION TECHNIQUE DE REHABILITATION DES ENTREPRISES PUBLIQUES ET PARAPUBLIQUES	CTR
76.	COMMUNE ET VILLE UNIES DU CAMEROUN	CVUC
77.	COMPTE D'AFFECTATION SPECIALE POUR LE DEVELOPPEMENT DE L'ACTIVITE POSTALE	CAS MINPOSTEL
78.	CONFEDERATION AFRICAINE DE FOOTBALL	CAF
79.	CONSEIL D'APPUI A LA REALISATION DES CONTRATS	CARPA
80.	CONSEIL ECONOMIQUE ET SOCIAL	CES
81.	CONSEIL INTERNATIONAL DES RADIOS TELE D'EXPRESSION FRANCAISE	CIRTEF
82.	CONSEIL NATIONAL DE LA COMMUNICATION	CNC
83.	CONSEIL NATIONAL DES CHARGEURS DU CAMEROUN	CNCC
84.	CRBP/CARBA- NJOMBE	CRBP/CARBA
85.	CROIX ROUGE CAMEROUNAISE	CRC
86.	CRTV MARKETING AND COMMUNICATION AGENCY	CMCA
87.	ECOLE NATIONALE D'ADMINISTRATION	ENAM
88.	ECOLE DE FAUNE DE GAROUA	EF
89.	ECOLE DES TRAVAUX PUBLICS (ET SES ANNEXES)	ETP
90.	ECOLE NATIONAL SUPERIEURE DE POLICE ET DES CIAP	ENSP
91.	ECOLE NATIONALE DES POSTES (ET ANNEXES)	ENP
92.	ECOLE NATIONALE SUPERIEURE DE POLICE ET DES CIAP	ENSP
93.	ECOLE PRATIQUE D'AGRICULTURE DE BINGUELA	EPAB
94.	ECOLE SPECIALISEE POUR ENFANTS DEFICIENTS AUDITIFS	ESEDA
95.	ECOLE SUPERIEURE DES SCIENCES DE L'INFORMATION ET DE LA COMMUNICATION	ESSTIC
96.	ELECTIONS CAMEROON	ELECAM
97.	ELECTRICITY DEVELOPMENT CORPORATION	EDC

98.	FONDATION SAVE AFRICAN FAMILY	FONDATION SAF
99.	FONDS COMMUN PSFE MINFOF	PSFE
100.	FONDS D'AIDE ET DE GARANTIE AUX PETITES ET MOYENNES ENTREPRISES	FOGAPE
101.	FONDS DE DEVELOPPEMENT DES FILIERES CACAO CAFE	FODECC
102.	FONDS DE DEVELOPPEMENT DU SECTEUR POSTAL	FDSP
103.	FONDS NATIOAL DE L'EMPLOI (ET ANNEXES)	FNE
104.	FONDS ROUTIER	FR
105.	FONDS SEMENCIER	FS
106.	FONDS SPECIAL ACT SECURITE ELECTRONIQUE	FSASE
107.	FONDS SPECIAL D'EQUIPEMENT ET D'INTERVENTION INTERCOMMUNALE ET SES DEMEMBREMENTS	FEICOM
108.	FONDS SPECIAL DE DEVELOPPEMENT FORESTIER	FSDF
109.	FOYER GENIE MILITAIRE	FGM
110.	GRASS FIELD PARTICIPATORY RURAL DEVELOPMENT PROJECT	GP-DERUDEP
111.	HOPITAL CENTRAL DE YAOUNDE	HCY
112.	HOPITAL GENERAL DE DOUALA	HGD
113.	HOPITAL GENERAL DE YAOUNDE	HGY
114.	HOPITAL GYNECO-OBSTERIQUE ET PEDIATRIQUE DE DOUALA	HGOD
115.	HOPITAL GYNECO-OBSTERIQUE ET PEDIATRIQUE DE YAOUNDE	HGOY
116.	HOPITAL JAMOT DE YAOUNDE	HJY
117.	HOPITAL REGIONAL D'EDEA	HRE
118.	HOPITAL REGIONAL DE BAFOUSSAM	HRB
119.	HOPITAL REGIONAL DE BERTOUA	HRBTA
120.	HOPITAL REGIONAL DU NORD	HRN
121.	HÔTEL DES DEPUTES	HÔTEL DES DEPUTES
122.	IFORD	IFORD
123.	IMPRIMERIE NATIONALE	IN
124.	INSTITUT AFRICAIN DE L'INFORMATIQUE	IAI
125.	INSTITUT DE FORMATION ET DE RECHERCHE DEMOGRAPHIQUES	IFORD
126.	INSTITUT DE RECHERCHE AGRICOLE ET DE DEVELOPPEMENT (ET ANNEXES)	IRAD

127.	INSTITUT DE RECHERCHE GEOLOGIQUE ET MINIERE	IRGM
128.	INSTITUT DE RECHERCHE MEDICALE ET D'ETUDES DES PLANTES MEDICINALES	IMPM
129.	INSTITUT DE SCIENCES HALIEUTIQUES DE YABASSI	ISHY
130.	INSTITUT DES RELATIONS INTERNATIONALES DU CAMEROUN	IRIC
131.	INSTITUT DES SCIENCES HALIEUTIQUES	ISH
132.	INSTITUT INTERNATIONAL D'AGRICULTURE TROPICAL	IITA
133.	INSTITUT NATIONAL DE CARTOGRAPHIE	INC
134.	INSTITUT NATIONAL DE LA STATISTIQUE	INS
135.	INSTITUT SOUS REGIONAL STATISTIQUE	ISSEA
136.	INSTITUT SUPERIEUR DE MANAGEMENT PUBLIC	ISMP
137.	INSTITUT TROPICAL SUISSE	ITS
138.	JOHNS HOPKINS CAMEROUN PROGRAMME	JHCP
139.	KREDITSANSTALT FUR WIEDERAUFHAN	KFW
140.	LABORATOIRE NATIONAL D'ANALYSE DIAGNOSTIQUE DES PRODUITS ET INTRANTS D AGRICOLE	LNAD
141.	LABORATOIRE NATIONAL DE CONTROLE DE QUALITE DES MEDICAMENTS ET D'EXPERTISE	LANACOME
142.	LABORATOIRE NATIONAL DE GENIE CIVIL	LABOGENIE
143.	LABORATOIRE NATIONAL VETRERINAIRE	LANAVET
144.	LATEX PLANT PROGRAMME	LPP
145.	LIMBE PORT AUTHORITY	LPA
146.	LOM PANGAR HYDROPOWER PROJECT	LPHP
147.	MALARIA NO MORE	MALARIA NO MORE
148.	MISSION D'AMENAGEMENT ET DE GESTION DES ZONES INDUSTRIELLES	MAGZI
149.	MISSION D'ETUDE ET D'AMENAGEMENT DE L'OCEAN	MEAO
150.	MISSION D'ETUDE POUR L'AMENAGEMENT ET LE DEVELOPPEMENT DE LA PROVINCE DU NORD	MEADEN
151.	MISSION DE DEVELOPPEMENT DE LA PECHE ARTISANLE MARITIME	MIDEPECAM
152.	MISSION DE DEVELOPPEMENT INTEGRE DES MONTS MANDARA	MIDIMA
153.	MISSION DE PROMOTION DES MATERIAUX LOCAUX	MIPROMALO

154.	MISSION DE REGULATION ET D'APPROVISIONNEMENT DES PRODUITS DE GRANDE CONSOMMATION	MIRAP
155.	NATIONAL ADVANCE SCHOOL OF PENITENTIARY ADMISTRATION BUEA	ASP
156.	NATIONAL SCHOOL OF LOCAL ADMINISTRATION	NASLA
157.	NATIONAL PRINTING PRESS ANNEX BUEA	NPP
158.	NORTH WEST DEVELOPMENT AUTHORITY	NOWEDA
159.	NORTH WEST LIVESTOCK DEVELOPMENT PROJECT	CDENO
160.	NORTH WEST RURAL DEVELOPMENT PROJECT	NWRDP
161.	OBSERVATOIRE NATIONAL DU TRAVAIL	ONT
162.	OFFICE CEREALIER	OC
163.	OFFICE DU BACCALEAUREAT DU CAMEROUN	OBC
164.	OFFICE NATIONAL DE ZONES FRANCHES INDUSTRIELLES	ONZFI
165.	OFFICE NATIONAL DES ANCIENS COMBATTANTS, ANCIENS MILITAIRES ET VICTIMES DE GUERRE DU CAMEROUN	ONACAM
166.	OFFICE NATIONAL DU CACAO ET DU CAFFE	ONCC
167.	PALAIS DES CONGRES	PALAIS DES CONGRES
168.	PAN-AFRICAN INSTITUTE FOR DEVELOPMENT	PAN-AFRIQUE
169.	PARC NATIONAL DE MATERIEL DE GENIE CIVIL	MATGENIE
170.	PARLIAMENTARIAN FLATS HOTEL	PFH
171.	PLAN INTERNATIONAL CAMEROUN	PLIC
172.	PROGRAMMA D'APPUI A LA CITOYENNETE ACTIVE	PROCIVIS
173.	PROGRAMME D'ACCOMPAGNEMENT SOCIO-ECONOMIQUE DE MEMVE ELE	PASEM
174.	PROGRAMME D'AMELIORATION DE LA COMPETITIVITE AGRICOLE	PACA
175.	PROGRAMME D'AMELIORATION DE LA COMPETITIVITE DES EXPLOITATIONS FAMILIALES AGRICOLES	ACEFA
176.	PROGRAMME D'AMELIORATION DE LA PRODUCTIVITE AGRICOLE	PAPA
177.	PROGRAMME D'APPUI A LA COMPOSANTE TECHNOLOGIQUE	PRO-ACTP
178.	PROGRAMME D'APPUI A LA CREATION ET AU DEVELOPPEMENT DES PME DE TRANSFORMATION ET DE CONSERVATION DES PRODUITS LOCAUX DE MASSE	PACD/PME

179.	PROGRAMME D'APPUI A LA REFORME DES FINANCES PUBLIQUES	PARFIP
180.	PROGRAMME D'APPUI A LA RENOVATION ET AU DEVELOPPEMENT DE LA FORMATION PROFESSIONNELLE DANS LES SECTEURS DE L'AGRICULTURE, DE L'ELEVAGE ET DES PECHES	C2D/AFOP
181.	PROGRAMME D'APPUI AUX PME AGRICOLES ET AGROALIMENTAIRE	PMEAA
182.	PROGRAMME D'APPUI ET DE SOUTIEN A L'ACCORD DE PARTENARIAT ECONOMIQUE	PASAPE
183.	PROGRAMME D'APPUI A LA STRATEGIE NATIONALE DE LA FINANCE INCLUSIVE	PA SNFI
184.	PROGRAMME D'APPUI A L'UTILISATION DES ENGRAIS DANS LES FILIERES CACAO ET CAFE	PAUEF2C
185.	PROGRAMME DE DEVELOPPEMENT DE LA FILIERE PORCINE	PDFP
186.	PROGRAMME DE DEVELOPPEMENT DES PALMERAIES VILLAGEOISES	PDPV
187.	PROGRAMME DE DEVELOPPEMENT ET DE VALORISATION DES RACINES, DES TUBERCULES ET DU PLANTAIN	PDVRTP
188.	PROGRAMME DE PROMOTION DE L'ENTREPRENARIAT AGROPASTORAL	PEAJ
189.	PROGRAMME DE REFORME DES FINANCES PUBLIQUES	PSSF
190.	PROGRAMME DE REFORME DU SOUS-SECTEUR ENGRAIS	PRSSE
191.	PROGRAMME ECONOMIQUE D'AMENAGEMENT DU TERRITOIRE POUR LA PROMOTION DES ENTREPRISES MOYENNES ET DE GRANDE IMPORTANCE DANS LE SECTEUR RURAL AU CAMEROUN	AGROPOLES
192.	PROGRAMME ELARGI DE VACCINATION	PEV
193.	PROGRAMME NATIONAL DE DEVELOPPEMENT PARTICIPATIF	PNDP
194.	PROGRAMME NATIONAL DE GOUVERNANCE	PNG
195.	PROGRAMME NATIONAL DE LA SECURITE ALIMENTAIRE	PNSA
196.	PROGRAMME NATIONAL DE LUTTE CONTRE LA TUBERCULOSE	PNLT
197.	PROGRAMME NATIONAL DE LUTTE CONTRE LE PALUDISME	PNLP
198.	PROGRAMME NATIONAL DE SECURISATION ET DE REHABILITATION DU LAC NYOS	LAC NYOS

199.	PROGRAMME NATIONAL DE VULGARISATION ET DE RECHERCHE AGRICOLES	PNVRA
200.	PROGRAMME SECTORIEL FORET ENVIRONNEMENT	PSFE
201.	PROJET - CDC/PEP FAR/MOU/DFA -CRC	CRESP
202.	PROJET D'AMENAGEMENT EN EAU POTABLE DE YAOUNDE ET SES ENVIRONS A PARTIR DU FLEUVE SANAGA	PAEPYS
203.	PROJET –CDC/PEP/FAR/MOU/DFA-CRC	CRESP
204.	PROJET COMPETITIVITE DES FILIERES DE CROISSANCE	PCFC
205.	PROJET D'AMELIORATION DE LA PRODUCTIVITE ET DE LA COMPETITIVITE DE LA FILIERE PALMIER A HUILE EN AFRIQUE CENTRALE ET DE L'OUEST	APROCOM PA
206.	PROJET D'AMELIORATION DE LA SURVEILLANCE DE L'INDUSTRIE EXTRACTIVE EN AFRIQUE SUBSAHARIENNE	PASIE
207.	PROJET D'AMENAGEMENT HYDROELECTRIQUE DE BINI A WARAK	PAHB
208.	PROJET D'APPUI A LA MODERNISATION DU CADASTRE ET DU CLIMAT DES AFFAIRES	PAMOCCA
209.	PROJET D'APPUI A LA SCOLARISATION DANS LES ZONES D'EDUCATION PRIORITAIRES	PASZEP
210.	PROJET D'APPUI AU DEVELOPPEMENT DE LA MICROFINANCE RURALE	PADMIR
211.	PROJET D'APPUI AU DEVELOPPEMENT DES FILIERES AGRICOLES	PADFA
212.	PROJET D'APPUI AU DEVELOPPEMENT ET DE LA PRODUCTION LAITIERE	PADPL
213.	PROJET D'APPUI AU RENFORCEMENT DES CAPACITES NATIONALEA EN SUIVI ET EVALUATION DES POLITIQUES PUBLIQUESDANS LE DOMAINE DU RESPECT DE LA POLITQUE AU CAMEROUN	EIDHR
214.	PROJET D'APPUI AUX ELEVAGES NON CONVENTIONNELS	PAPENOC
215.	PROJET D'ASSAINISSEMENT LIQUIDE	PROJET SAN-CAM
216.	PROJET D'ELEVAGE DES AULACODES AU CAMEROUN	PEAC
217.	PROJET D'APPUI A LA GESTION DE LA QUALITE DU CACAO ET DES CAFES	PAGQ2C
218.	PROJET D'APPUI A LA LUTTE ANTIFONGIQUE DANS LES FILIERES CACAO ET CAFE	PALAF2C

219.	PROJET D'APPUI A LA PRODUCTION ET DIFFUSION DU MATERIEL VEGETAL CACAO CAFE	PPDMVCC
220.	PROJET D'ASSAINISSEMENT DE YAOUNDE	CEP PADY 2
221.	PROJET DE CONSTRUCTION DE L'HOPITAL GYNECO-OBSTETRIQUE ET PEDIATRIQUE DE DOUALA	PROJET HGOPY DOUALA
222.	PROJET DE CONSTRUCTION DES CENTRES DE SANTE INTEGRES	BADEA
223.	PROJET DE CONSTRUCTION PONT MAPE	PONT MAPE
224.	PROJET DE DEVELOPPEMENT DE L'ELEVAGE	PRODEL
225.	PROJET DE DEVELOPPEMENT DES CHAINES DE VALEURS	PD-CVA
226.	PROJET DE DEVELOPPEMENT DU SECTEUR DE L'ENERGIE	PDSEN-AER
227.	PROJET DE L'ENSEIGNEMENT SECONDAIRE TECHNIQUE	UG-PEST
228.	PROJET DE MISE EN PLACE DES CENTRES DE FORMATION AUX METIERS, OFFRANT DES FORMATIONS NON AGRICOLES EN MILIEU RURAL	C2D/FM
229.	PROJET DE MISE EN PLACE DES CENTRES DE FORMATION PROFESSIONNELLE SECTORIEL	C2D-CFPS
230.	PROJET DE RENFORCEMENT DES CAPACITES DU SECTEUR MINIER	PRECASEM
231.	PROJET D'ELECTRIFICATION RURALE PHASE 2	PER 2
232.	PROJET D'ELECTRIFICATION RURALE TROIS REGIONS	PER 3
233.	PROJET D'EXECUTION DU PROJET DE CONSTRUCTION ET D'EQUIPEMENT HOPITAL DE REFERENCE DE SANGMELIMA	CEPCEHRS
234.	PROJET D'HORTICULTURE URBAINE ET PERIURBAINE	PHUP
235.	PROJET D'INVESTISSEMENT ET DE DEVELOPPEMENT DES MARCHES AGRICOLES	PIDMA
236.	PROJET EDUCATION II	PE II
237.	PROJET FER DE MBALLAM	PROJET FER DE MBALLAM
238.	PROJET INTEGRE D'APPUI AUX ACTEURS DU SECTEUR INFORMEL	PIAASI
239.	PROJET MALARIA RESEARCH CAPACITY AND DEVELOPPEMENT	MARCAD
240.	PROJET NGOYLA MINTOM MINFOF-GEF	MINFOF-GEF
241.	PROJET NGOYLA MINTOM MINFOF-GEF	PNM

242.	PROJET PORT EN EAU PROFONDE DE KRIBI	PEPK
243.	PROJET PTME-DSF-CDC	PPDC
244.	PROJET SEMENCIER CACAO-CAFE	PSCC
245.	RECENSEMENT GENERAL DE L'AGRICULTURE ET DE L'ELEVAGE	RGAE
246.	RESEAU DES INSTITUTIONS AFRICAINES DE FINANCEMENT DES COLLECTIVITES LOCALES	RIAFCO
247.	RUMPI PROJECT	RUMPI
248.	SECRETARIAT NATIONAL PERMANENT DU PROCESSUS DE KIMBERLEY	KIMBERLEY PROCESS
249.	SOUTH WEST DEVELOPMENT AUTHORITY	SOWEDA
250.	UNITE DE TRAITEMENT AGRICOLE PAR VOIES AERIENNES	UTAVA
251.	UNIVERSITE DE BUEA ET SES DEMEMBREMENTS	UB
252.	UNIVERSITE DE DOUALA ET SES DEMEMBREMENTS	UDLA
253.	UNIVERSITE DE DSCHANG ET SES DEMEMBREMENTS	UDS
254.	UNIVERSITE DE MAROUA ET SES DEMEMBREMENTS	UM
255.	UNIVERSITE DE NGAOUNDERE ET SES DEMEMBREMENTS	UN
256.	UNIVERSITE DE YAOUNDE I ET SES DEMEMBREMENTS	UYI
257.	UNIVERSITE DE YAOUNDE II ET SES DEMEMBREMENTS	UYII
258.	UNIVERSITE DES MONTAGNES	UDM
259.	UNIVERSITEDE BAMENDA ET SES DEMEMBREMENTS	UBA
260.	UPPERNOUN VALLEY AUTHORITY	UNVDA
261.	WORLD WIDE FUND	WWF

APPENDIX V
LIST OF REGIONAL AND LOCAL AUTHORITIES AUTHORIZED TO WITHHOLD TAXES AT SOURCE FOR 2022 FISCAL YEAR

ADAMAWA REGION	
DEPARTEMENT DU DJEREM	
	COMMUNE DE NGAOUNDAL
	COMMUNE DE TIBATI
DEPARTEMENT DU FARO ET DEO	
	COMMUNE DE GALIM-TIGNERE
	COMMUNE DE KONTCHA
	COMMUNE DE MAYO BALEO
	COMMUNE DE TIGNERE
DEPARTEMENT DU MAYO-BANYO	
	COMMUNE DE BANKIM
	COMMUNE DE BANYO
	COMMUNE DE MAYO-DARLE
DEPARTEMENT DU MBERE	
	COMMUNE DE DIR
	COMMUNE DE DJOHONG
	COMMUNE DE MEIGANGA
	COMMUNE DE NGAOUI
DEPARTEMENT DE LA VINA	
	COMMUNE DE BELEL
	COMMUNE DE MARTAP
	COMMUNE DE MBE
	COMMUNE DE NGANHA
	COMMUNAUTE URBAINE DE NGAOUNDERE
	COMMUNAUTE D'ARRONDISSEMENT DE NGAOUNDERE I
	COMMUNAUTE D'ARRONDISSEMENT DE NGAOUNDERE II
	COMMUNAUTE D'ARRONDISSEMENT DE NGAOUNDERE III
	COMMUNE DE NYAMBAKA
CENTRE REGION	
DEPARTEMENT DE LA HAUTE SANAGA	
	COMMUNE DE MBANJOCK
	COMMUNE DE NANGA-EBOKO
	COMMUNE DE BIBEY

	COMMUNE DE MINTA
	COMMUNE DE LEMBE - YEZOUM
	COMMUNE DE NKOTENG
	COMMUNE DE NSEM
DEPARTEMENT DE LA LEKIE	
	COMMUNE DE BATSENGA
	COMMUNE D'ELIG MFOMO
	COMMUNE D'EBEBDA
	COMMUNE D’EVODOULA
	COMMUNE LOBO
	COMMUNE MONATELE
	COMMUNE D’OBALA
	COMMUNE D’OKOLA
	COMMUNE DE SA’A
DEPARTEMENT DU MBAM ET INOUBOU	
	COMMUNE DE BAFIA
	COMMUNE DE BOKITO
	COMMUNE DE DEUK
	COMMUNE DE KIKI
	COMMUNE DE KON-YAMBETTA
	COMMUNE DE MAKENENE
	COMMUNE DE NDIKINIMEKI
	COMMUNE DE NITOUKOU
	COMMUNE D’OMBESSA
DEPARTEMENT DU MBAM ET KIM	
	COMMUNE DE NTUI
	COMMUNE DE MBANGASSINA
	COMMUNE DE NGAMBE TIKAR
	COMMUNE DE NGORO
	COMMUNE DE YOKODDEE YOKOO COCO
DEPARTEMENT DE LA MEFOU ET AFAMBA	
	COMMUNE D'AWAE
	COMMUNE D'EDZENDOUAN
	COMMUNE ESSE
	COMMUNE DE MFOU
	COMMUNE DE NKOLAFAMBA

	COMMUNE D'OLANGUINA
	COMMUNE DE SOA
	COMMUNE D’AFANLOUM
DEPARTEMENT DE LA MEFOU ET AKONO	
	COMMUNE DE MBANKOMO
	COMMUNE DE NGOUMOU
	COMMUNE DE BIKOK
	COMUNE D’AKONO
DEPARTEMENT DU MFOUNDI	
	COMMUNAUTE URBAINE DE YAOUNDE
	COMMUNE DE YAOUNDE I
	COMMUNE DE YAOUNDE II
	COMMUNE DE YAOUNDE III
	COMMUNE DE YAOUNDE IV
	COMMUNE DE YAOUNDE V
	COMMUNE DE YAOUNDE VI
	COMMUNE DE YAOUNDE VII
DEPARTEMENT DU NYONG ET KELLE	
	COMMUNE DE BOT-MAKAK
	COMMUNE BONDJOCK
	COMMUNE DE BIYOUHA
	COMMUNE DE DIBAN
	COMMUNE D'ESEKA
	COMMUNE DE MAKAK
	COMMUNE DE MATOM
	COMMUNE NGOG-MAPUBI
	COMMUNE NGUIBASSAL
	COMMUNE MESSONDO
DEPARTEMENT DU NYONG ET SO’O	
	COMMUNE D'AKOEMAN
	COMMUNE DE DZENG
	COMMUNE DE MBALMAYO
	COMMUNE DE MENGUEME
	COMMUNE DE NKOLMETET
	COMMUNE DE NGOMEDZAP
DEPARTEMENT DU NYONG ET MFOUMOU	

	COMMUNE D'AKONOLINGA
	COMMUNE D'AYOS
	COMMUNE D'ENDOM
	COMMUNE DE KOBDOMBO
	COMMUNE DE MENGANG
EAST REGION	
DEPARTEMENT DE LA BOUMBA ET NGOKO	
	COMMUNE DE GARI-GOMBO
	COMMUNE DE MOLOUNDOU
	COMMUNE DE SALAPOUMBE
	COMMUNE DE YOKADOUMA
DEPARTEMENT DU HAUT NYONG	
	COMMUNE D'ABONG-MBANG
	COMMUNE D'ANGOSSAS
	COMMUNE D'ATOK
	COMMUNE DE DOUMAINTANG
	COMMUNE DE LOMIE
	COMMUNE DE MESSAMENA
	COMMUNE DE MBOMA
	COMMUNE DE MESSOK
	COMMUNE DE MINDOUROU
	COMMUNE DE NGOYLA
	COMMUNE DE NGUELEMENDOUKA
	COMMUNE DE SOMALOMO
DEPARTEMENT DE LA KADEY	
	COMMUNE DE BATOURI
	COMMUNE DE KETTE
	COMMUNE DE KENTZOU
	COMMUNE DE MBANG
	COMMUNE DE NDELELE
	COMMUNE DE NGUELEBOCK
	COMMUNE D'OULI
	COMMUNE DE BELABO
DEPARTEMENT DE LA LOM ET DJEREM	
	COMMUNAUTE URBAINE DE BERTOUA
	COMMUNE DE BERTOUA 1er

	COMMUNE DE BERTOUA 2e
	COMMUNE DE BETARE-OYA
	COMMUNE DE DIANG
	COMMUNE DE GAROUA-BOULAÏ
	COMMUNE DE MANDJOU
	COMMUNE DE NGOURA
FAR NORTH REGION	
DEPARTEMENT DE DU DIAMARE	
	COMMUNAUTE URBAINE DE MAROUA
	COMMUNE DE BOGO
	COMMUNE DE DARGALA
	COMMUNE DE GAZAWA
	COMMUNE DE MAROUA 1ER
	COMMUNE DE MAROUA 2E
	COMMUNE DE MAROUA 3E
	COMMUNE DE MERI
	COMMUNE DE NDOUKOULA
	COMMUNE DE PETTE
DEPARTEMENT DU LOGONE ET CHARI	
	COMMUNE DE BLANGOUA
	COMMUNE DE DARAK
	COMMUNE DE FOTOKOL
	COMMUNE DE GOULFEY
	COMMUNE DE HILE-ALIFA
	COMMUNE DE KOUSSERI
	COMMUNE DE LOGONE-BIRNI
	COMMUNE DE MAKARY
	COMMUNE DE WAZA
	COMMUNE DE ZINA
DEPARTEMENT DU MAYO DANAY	
	COMMUNE DE DATCHEKA
	COMMUNE DE GOBO
	COMMUNE DE GUERE
	COMMUNE DE GUEME (VELE)
	COMMUNE DE KAÏ-KAÏ
	COMMUNE DE KALFOU

	COMMUNE DE KAR-HAY (DOUKOULA)
	COMMUNE DE MAGA
	COMMUNE DE TCHATIBALI
	COMMUNE DE WINA
	COMMUNE DE YAGOUA
DEPARTEMENT DU MAYO KANI	
	COMMUNE DE DZIGUILAO
	COMMUNE DE GUIDIGUIS
	COMMUNE DE KAELE
	COMMUNE DE MINDIF
	COMMUNE DE MOULVOUDAYE
	COMMUNE DE MOUTOURWA
	COMMUNE DE TOULOUM
DEPARTEMENT DU MAYO SAVA	
	COMMUNE DE KOLOFATA
	COMMUNE DE MORA
	COMMUNE DE TOKOMBERE
DEPARTEMENT DU MAYO TSANAGA	
	COMMUNE DE BOURRHA
	COMMUNE DE HINA
	COMMUNE DE KOZA
	COMMUNE DE MOGODE
	COMMUNE DE MOKOLO
	COMMUNE DE MOZOGO
	COMMUNE DE SOULEDA ROUA
LITTORAL REGION	
DEPARTEMENT DU MOUNGO	
	COMMUNAUTE URBAINE DE NKONGSAMBA
	COMMUNE DE BARE
	COMMUNE DE BONALEA
	COMMUNE DE DIBOMBARI
	COMMUNE D’EBONE
	COMMUNE DE LOUM
	COMMUNE DE MANJO
	COMMUNE DE MBANGA
	COMMUNE DE MELONG

	COMMUNE DE MOMBO
	COMMUNE DE NKONGSAMBA 1er
	COMMUNE DE NKONGSAMBA 2e
	COMMUNE DE NKONGSAMBA 3e
	COMMUNE DE NJOMBE- PENJA
DEPARTEMENT DU NKAM	
	COMMUNE DE NDOBIAN
	COMMUNE DE NKONDJOCK
	COMMUNE DE YABASSI
	COMMUNE DE YINGUI
DEPARTEMENT DE LA SANAGA MARITIME	
	COMMUNAUTE URBAINE D’EDEA
	COMMUNE DE DIBAMBA
	COMMUNE DE DIZANGUE
	COMMUNE D’ARRONDISSEMENT D’EDEA 1er
	COMMUNE D’ARRONDISSEMENT D’EDEA 2e
	COMMUNE DE MASSOCK
	COMMUNE DE MOUANKO
	COMMUNE DE NDOM
	COMMUNE DE NYANON
	COMMUNE DE NGAMBE
	COMMUNE DE NGWEI MAKONDO
	COMMUNE DE POUMA
DEPARTEMENT DU WOURI	
	COMMUNE D’ARRONDISSEMENT DE DOUALA 1e
	COMMUNE D’ARRONDISSEMENT DE DOUALA 2ème
	COMMUNE D’ARRONDISSEMENT DE DOUALA 3ème
	COMMUNE D’ARRONDISSEMENT DE DOUALA 4e
	COMMUNE D’ARRONDISSEMENT DE DOUALA 5e
	COMMUNAUTE URBAINE DE DOUALA
	COMMUNE DE MANOKA
NORTH REGION	
DEPARTEMENT DE LA BENOUE	
	COMMUNAUTE URBAINE DE GAROUA
	COMMUNE DE BASCHEO
	COMMUNE DE BIBEMI

	COMMUNE DE DEMBO
	COMMUNE D'ARRONDISSEMENT GAROUA 1er
	COMMUNE D'ARRONDISSEMENT GAROUA 2e
	COMMUNE D'ARRONDISSEMENT GAROUA 3e
	COMMUNE DE GASCHIGA
	COMMUNE DE LAGDO
	COMMUNE DE MAYO-HOURNA
	COMMUNE DE NGONG
	COMMUNE DE PITOA
	COMMUNE DE TOUROUA
DEPARTEMENT DU FARO	
	COMMUNE DE BEKA
	COMMUNE DE POLI
DEPARTEMENT DU MAYO LOUTI	
	COMMUNE DE FIGUIL
	COMMUNE DE GUIDER
	COMMUNE DE MAYO-OULO
DEPARTEMENT DU MAYO REY	
	COMMUNE DE MADINGRING
	COMMUNE DE REY-BOUBA
	COMMUNE DE TCHOLLIRE
	COMMUNE DE TOUBORO
NORD-WEST REGION	
DEPARTEMENT DU BUI	
	COMMUNE D'ELAK OKU
	COMMUNE DE JAKIRI
	COMMUNE DE KUMBO
	COMMUNE DE NKUM
	COMMUNE DE MBIAME
	COMMUNE DE NKOR
DEPARTEMENT DU BOYO	
	COMMUNE DE BELO
	COMMUNE DE FONFUKA
	COMMUNE DE FUNDONG
	COMMUNE DE NJINIKOM
DEPARTEMENT DU DONGA MANTUNG	

	COMMUNE D'AKO
	COMMUNE DE MISAJE
	COMMUNE DE NDU
	COMMUNE DE NKAMBE
	COMMUNE DE NWA
DEPARTEMENT DE MENCHUM	
	COMMUNE DE BENAKUMA
	COMMUNE DE FURU-AWA
	COMMUNE DE WUM
	COMMUNE DE ZHOA
DEPARTEMENT DE LA MEZAM	
	BAMENDA CITY COUNCIL
	COMMUNE DE BAFUT
	COMMUNE DE BALI
	COMMUNE D'ARRONDISSEMENT DE BAMENDA 1er
	COMMUNE D'ARRONDISSEMENT DE BAMENDA 2^{e}
	COMMUNE D'ARRONDISSEMENT DE BAMENDA 3^{e}
	COMMUNE DE SANTA
	COMMUNE DE TUBAH
DEPARTEMENT DE LA MOMO	
	COMMUNE D'ANDEK
	COMMUNE DE BATIBO
	COMMUNE DE MBENGWI
	COMMUNE DE NJIKWA
	COMMUNE DE WIDIKUM-BOFFE
DEPARTEMENT DE NGO-KETUNJIA	
	COMMUNE DE BABESSI
	COMMUNE DE BALIKUMBAT
	COMMUNE DE NDOP
WEST REGION	
DEPARTEMENT DU BAMBOUTOS	
	COMMUNE DE BABADJOU
	COMMUNE DE BATCHAM
	COMMUNE DE GALIM
	COMMUNE DE MBOUDA
DEPARTEMENT DU HAUT NKAM	

	COMMUNE DE BAFANG
	COMMUNE DE BANKA
	COMMUNE DE BAKOU
	COMMUNE DE BANA
	COMMUNE DE BANDJA
	COMMUNE DE BANWA
	COMMUNE DE KEKEM
DEPARTEMENT DES HAUTS PLATEAUX	
	COMMUNE DE BAHAM
	COMMUNE DE BAMENDJOU
	COMMUNE DE BANGOU
	COMMUNE DE BATIE
DEPARTEMENT DU KOUNG KHI	
	COMMUNE DE BAYANGAM
	COMMUNE DE DEMDENG
	COMMUNE DE PETE-BANDJOUN
DEPARTEMENT DE LA MENOUA	
	COMMUNE DE DSCHANG
	COMMUNE DE FOKOUE
	COMMUNE DE FONGO-TONGO
	COMMUNE DE NKONG-NZEM
	COMMUNE DE PENKA-MICHEL
	COMMUNE DE SANTCHOU
DEPARTEMENT DE LA MIFI	
	COMMUNAUTE URBAINE DE BAFOUSSAM
	COMMUNE D’ARRONDISSEMENT DE BAFOUSSAM 1er
	COMMUNE D’ARRONDISSEMENT DE BAFOUSSAM 2^{e}
	COMMUNE D’ARRONDISSEMENT DE BAFOUSSAM 3^{e}
DEPARTEMENT DU NDE	
	COMMUNE DE BANGANGTE
	COMMUNE DE BASSAMBA
	COMMUNE DE BAZOU
	COMMUNE DE TONGA
DEPARTEMENT DU NOUN	
	COMMUNE DE BANGOURAIN
	COMMUNE DE FOUMBAN

	COMMUNE DE FOUMBOT
	COMMUNE DE KOUOPTAMO
	COMMUNE DE KOUTABA
	COMMUNE DE MAGBA
	COMMUNE DE MALANTOUEN
	COMMUNE DE MASSANGAM
	COMMUNE DE NJIMOM
SOUTH REGION	
DEPARTEMENT DU DJA ET LOBO	
	COMMUNE DE BENGBIS
	COMMUNE DE DJOUM
	COMMUNE DE SANGMELIMA
	COMMUNE DE MEYOMESSI
	COMMUNE DE MINTOM
	COMMUNE D'OVENG
	COMMUNE DE MEYOMESSALA
	COMMUNE DE ZOETELE
DEPARTEMENT DE LA MVILA	
	COMMUNAUTE URBAINE D'EBOLOWA
	COMMUNE DE BIWONG-BANE
	COMMUNE DE BIWONG-BULU
	COMMUNE D'ARRONDISSEMENT D'EBOLOWA IER
	COMMUNE D'ARRONDISSEMENT D'EBOLOWA IIE
	COMMUNE D'ARRONDISSEMENT D'EBOLOWA IIIEME
	COMMUNE D'EFOULAN
	COMMUNE DE MENGONG
	COMMUNE DE MVANGAN
	COMMUNE DE NGOULEMAKONG
DEPARTEMENT DE L'OCEAN	
	COMMUNAUTE URBAINE DE KRIBI
	COMMUNE D'AKOM II
	COMMUNE DE BIPINDI
	COMMUNE DE CAMPO
	COMMUNE DE KRIBI 1ER
	COMMUNE DE KRIBI 2E
	COMMUNE DE LOKOUNDJE

	COMMUNE DE LOLODORF
	COMMUNE DE MVENGUE
	COMMUNE DE NIETE
DEPARTEMENT DE LA VALLE DU NTEM	
	COMMUNE D’AMBAM
	COMMUNE DE KYE-OSSI
	COMMUNE DE MA'AN
	COMMUNE D’OLAMZE
SOUTH WEST REGION	
DEPARTEMENT DU FAKO	
	COMMUNAUTE URBAINE DE LIMBE
	COMMUNE DE BUEA
	COMMUNE D’ARRONDISSEMENT DE LIMBE 1er
	COMMUNE D’ARRONDISSEMENT DE LIMBE 2e
	COMMUNE D’ARRONDISSEMENT DE LIMBE 3e
	COMMUNE D’IDENAU
	COMMUNE DE MUYUKA
	COMMUNE DE TIKO
DEPARTEMENT DE LA KUPE-MANENGUBA	
	COMMUNE DE BANGEM
	COMMUNE DE NGUTI
	COMMUNE DE TOMBEL
DEPARTEMENT DU LEBIALEM	
	COMMUNE D’ALOU
	COMMUNE DE MENJI
	COMMUNE DE WABANE
DEPARTEMENT DE LA MANYU	
	COMMUNE D’AKWAYA
	COMMUNE D’EYUMODJOCK
	COMMUNE DE MAMFE
	COMMUNE DE TINTO
DEPARTEMENT DE LA MEME	
	COMMUNAUTE URBAINE DE KUMBA
	COMMUNE DE KONYE
	COMMUNE D’ARRONDISSEMENT DE KUMBA 1er
	COMMUNE D’ARRONDISSEMENT DE KUMBA 2e

	COMMUNE D'ARRONDISSEMENT DE KUMBA 3e
	COMMUNE DE MBONGE
DEPARTEMENT DU NDIAN	
	COMMUNE DE BAMUSSO
	COMMUNE DE DIKOME-BALUE
	COMMUNE D'EKONDO-TITI
	COMMUNE D'IDABATO
	COMMUNE D'ISANGELE
	COMMUNE DE KOMBO-ABEDIMO
	COMMUNE DE KOMBO-ITINDI
	COMMUNE DE MUNDEMBA
	COMMUNE DE TOKO

APPENDIX VI

LIST OF REGIONAL AND LOCAL AUTHORITIES (REGIONS) AUTHORISED TO WITHOLD TAXES AT SOURCE FOR THE 2022 FISCAL YEAR

N°	REGIONS
1.	ADAMAWA REGION
2.	CENTRE REGION
3.	EAST REGION
4.	FAR NORTH REGION
5.	LITTORAL REGION
6.	NORTH REGION
7.	NORTH WEST REGION
8.	WEST REGION
9.	SOUTH REGION
10.	SOUTH-WEST REGION

CIRCULAR N° 006456/MINFI/DGI/LRI/L OF 27 DECEMBER 2016
LAYING DOWN THE MODALITIES FOR THE IMPLEMENTATION OF THE REFORM ON THE COLLECTION OF THE STAMP DUTY ON MOTOR VEHICLES.

The 2016 finance law has shifted the legal liability for the collection of motor vehicle stamp duty to insurance companies. As from the 1st of January 2017, stamp duty on motor vehicles shall be paid exclusively to insurance companies during the payment of the insurance premium.

The reform is intended to relieve tax taxpayers of costs incurred in the process of paying taxes, by simplifying and reducing the payment procedures. As concerns the State, the reform will lower the cost of collection of the said tax and enhance the revenue it generates. Also, the reform is expected to generate an increase in the requests for automobile insurance at the national scale.

The present circular lays the implementation modalities of this reform which takes effect from 1st of January 2017 with emphasis on the basis of assessment, methods of collection, controls and sanctions.

I- <u>Scope of application of stamp duty on motor vehicles</u>

A. <u>Persons liable to stamp duty on motor vehicles</u>

1) <u>Legal liability : The Insurance companies</u>

In conformity with the provisions of Section 598 of the General Tax Code, stamp duty on motor vehicles is collected by insurance companies during the payment of insurance premiums.

Henceforth, insurance companies in charge of vehicle liability insurance have been designated legally liable for stamp duty on motor vehicles. In this regards, they shall be responsible for the collection of stamp duty on motor vehicles during the payment of the insurance premium. This concerns insurance taken out at their level as well as their intermediaries (general agents and brokers).

Two cases are involved as follows:

- **<u>1st case: insurance is taken out directly at the company</u>**: in this case, the stamp duty is collected by the company and paid to its tax center.
- **<u>2nd case : insurance is taken out through intermediaries:</u> the** stamp duty is collected by these intermediaries and paid to the mother company who in turn remits to its tax center.

In any case, stamp duty on motor vehicles collected directly by the insurance company or indirectly through the various intermediaries must be remitted by the insurance company within the legal time frame to the tax center. Consequently, all policies taken out in the name of the insurance company must be registered in its monthly tax return.

On the contrary, insurance intermediaries have not been designated as legally liable and shall therefore not carry out any declaration of stamp duty on motor vehicles.

2) <u>Actual taxpayers : owners of vehicles and motorcycles</u>

In conformity with the provisions of Sections 594 and 596 of the General Tax Code, the actual taxpayers of the stamp duty are owners of motor vehicles as well as two or three-wheeled motorcycles. Consequently, the said tax is paid by physical or moral persons who are either owners or de facto owners of these vehicles.

However, in conformity with the provisions of Section 595 of the General Tax Code, the following are exempted from stamp duty on motor vehicles.

- administrative vehicles ;
- bicycles and tri-cycles ;
- vehicles whose owners enjoy diplomatic or consular privileges.

- vehicles under temporary registration and used exclusively for international cooperation projects ;
- test vehicles with "WG" registration ;
- transit vehicles with "WT" registration ;
- vehicles used for the maintenance of law and order with registration plates specific to the Armed Forces, the National Gendarmerie and the National Security ;
- Ambulances ;
- special vehicles with "CE" registration ;
- special vehicles used by the disabled and the handicapped ;
- vehicles registered abroad whose owners are holders of passports with a tourist visa covering a period of not more than three months, or with a circulation permit in Cameroon for a period of not more than three months, issued by the Road Transport Service.

It should be noted that Administrative vehicles include vehicles belonging solely to the State and precisely to the State Administration. As such vehicles belonging to Regional and Local Authorities (city councils, councils) public establishments, public and semi public corporations shall be liable to payment of the stamp duty.

To benefit from this exemption, the taxpayer must present proof to the exemption to the insurance company. These include amongst others, the vehicle registration certificate, the diplomatic certificate for vehicles belonging to persons who enjoy diplomatic and consular privileges, and a copy of the tourist visa or a circulation permit for vehicles registered abroad.

These justifying documents must be kept in the tax return file of the company and presented whenever requested by the Administration.

B. <u>Rates</u>

For remainder purposes, stamp duty on motor vehicles is laid down as follows:

- two-wheeled (02) motorcycles : 2 000 CFA FRANCS ;
- three-wheeled (03) motorcycles :5 000 CFA FRANCS ;
- vehicles of 02 to 07 HP : 15 000 CFA FRANCS ;
- vehicles of 08 to 13 HP : 25 000 CFA FRANCS ;
- vehicles of 14 to 20 HP : 50 000 CFA FRANCS ;
- vehicles of more than 20 HP : 100 000 CFA FRANCS .

1) <u>Acts constituting liability and due date Acts constituting liability</u>

Act constituting liability for payment of stamp duty on motor vehicles refers to all the required conditions for giving rise to the payment of the duty. As such, in conformity with the provisions of Section 594 of the General Tax Code, ownership of a vehicle, a two or three-wheeled motorcycle is liable to the stamp duty on motor vehicles.

Vehicle ownership refers to possession either as an actual owner or a de facto owner of vehicles capable of circulating. Ability to circulate is not limited to movement on the road but to the first registration of the vehicle or motorcycle. As such the scope of vehicles found in circulation includes vehicles withdrawn from circulation by the owner and which for personal reasons have been temporarily parked down for some time.

On the contrary, vehicles which for reasons independent of the owner have been parked down for a period of more than one year shall not considered as vehicles in circulation. In this regards, withdrawal from circulation must be declared to the Ministry of in charge of Transport in accordance with the provisions of section 33 of order N° 620/A/MINT/DTT of 04 February 1994.

2) <u>Due date</u>

This refers to the moment when payment can be claimed from the taxpayer. It differs depending on whether it concerns the renewal of the insurance policy or a new registration.

✓ **Renewal of insurance policy**

For owners of vehicles who have taken out an insurance policy in 2016 and which expires in 2017, the payment of the stamp duty shall be claimed at the end of the validity period of the said policy.

For purposes of illustration, on the 1st of December 2016, the owner of a vehicle takes out an insurance policy for six (06) months which expires on the 31st May 2017. In this case, stamp duty on motor vehicles shall be collected as from 1st June 2017, after the end of validity period of the insurance policy.

✓ **First registration**

In this case the due date shall depend on whether the vehicle is acquired from an automobile dealer or it is imported.

- For vehicles acquired from an automobile dealer: payment is due during the delivery of the vehicle to the owner.
- With regards to vehicles imported for immediate use: payment is due upon arrival at customs.

Whether the vehicle is delivered to the owner or imported for immediate use, the stamp duty is paid alongside the corresponding insurance policy. Owners of vehicles who fail to present proof of payment of stamp duty on motor vehicles in this case shall be sanctioned by the competent services.

II- The methods of collection of stamp duty on motor vehicles

In conformity with the provisions of Section 598 of the General Tax Code, stamp duty on motor vehicles shall henceforth be paid once when taking out the first insurance policy of the year.

This method has three characteristics:

- the moment of payment of stamp duty on motor vehicles corresponds to that of the insurance premium ;
- payment is done fully at the moment of initial subscription for a given year ;
- issuance of an insurance attestation is based on prior payment of stamp duty on motor vehicles.

This principle of full payment at the moment of initial subscription requires that the total amount of stamp duty must be collected in the form of a single payment irrespective of the fragmented payment of the insurance premium as authorized by contractual freedom. The insurance attestation must not in any case be issued by the insurance company or an intermediary without payment by the insured of the corresponding stamp duty.

However, full payment of stamp duty on motor vehicles done at the moment of the initial subscription of an insurance policy applies to the following cases:

1) The case of an insurance policy with a period of validity which cuts across two years: stamp duty on motor vehicles is paid entirely at the moment of subscription of the said policy.

Illustration: insurance policy subscribed on 1st September 2017 for a period of one year. Stamp duty must be paid fully on this date;

2) The case of insurance policy subscribed for a period of less than one year: Stamp duty is paid fully at the moment of initial subscription notwithstanding the duration of the contract. When stamp duty has initially been paid, it cannot longer be claimed at the time of its renewal done in the course of the same year.

Illustration: an insurance policy subscribed on the 15th of March 2017 for a period of six (06) months. Stamp duty on motor vehicles must be collected fully at the moment of the initial subscription. Following renewal on the 15th of September; stamp duty on motor vehicles cannot be claimed for the same year 2017.

3) The case where the period of an insurance policy corresponds to the civil year: when the insurance policy covers a period from 1st of January to 31th of December, stamp duty on motor vehicles is collected fully at the moment of subscription or during its renewal.

This reform applies as from the 1st of January 2017. As such insurance companies shall collect stamp duty on motor vehicles against all insurance policies taken out within this year, including those done in anticipation.

III- The procedure of filing returns and remittance of stamp duty on motor vehicles

A. The payment of stamp duty on motor vehicles by the insured

1) Payment through the Insurance Company

When an insured takes out his insurance policy, the insurance company also collects the corresponding stamp duty on motor vehicles in accordance with the provisions of Section 597 of the General Tax Code.

The receipt issued by the insurance company must obligatorily bear the insurance premium, the Value Added Tax (VAT) and the amount of the motor vehicle stamp duty paid by the insured.

When renewing the insurance policy within the same year by a new insurance company, the insured has to present his expired insurance certificate with the corresponding receipt as the case may be so as to avoid paying the same duty twice.

The insurance company justifies the non collection of stamp duty on motor vehicles during the renewal by presenting both the expired insurance certificate and its corresponding receipt.

2) Payment through an intermediary

When the insurance policy is subscribed through an intermediary, he collects the stamp duty using the same procedure and pays it to its insurance company. The latter should in no way invoke the deadline for remittance of the insurance premium or the late remittance by the intermediary to justify the late payment of the stamp duty on motor vehicles. All late payments are sanctioned in accordance with the provisions of the Manual of Tax Procedures.

Insurance companies must keep manual and electronic statistics to follow up policies given out by their intermediaries. These statistics must indicate the certificates issued per intermediary with their serial numbers, the subscriptions done as well as the period covered by each certificate.

B. The procedure for filing returns and remittance by the insurer

1) The procedure for filing returns

In conformity with the provisions of Section 598 of The General Tax Code, the filing of returns for the stamp duty on motor vehicles is henceforth the responsibility of the legally liable person: the insurance company. It must comply not later than the 15th of the month following month of collection.

Practically, the filing of returns of the stamp duty on motor vehicles is done using the turnover and income taxes form that contains a line "stamp duty on motor vehicles". It must be accompanied by a detailed slip of the policies taken out for the period especially the vehicle's registration number, its Vehicle Identification Number, horse power, the amount of duties paid and the period involved.

Concerning insurance policies subscribed in anticipation in the month of December 2016 and covering 2017, insurance companies must in this case collect the stamp duty on motor vehicles in accordance with the reform.

2) Procedure for remittance

In conformity with the provisions of Section 598 of The General Tax Code, the stamp duty on motor vehicles is collected and remitted to the tax collector of the centre of the insurance company not later than the 15th of the month following the month of payment by the insured. The delay in the remittance of the insurance premium by the intermediary to its company is not binding on the Tax Administration.

The stamp duty on motor vehicles collected by insurance companies and filed in their returns must be remitted through bank transfer into the account of the tax collector of their centers in accordance with the provisions of Section M8 of The Manual of Tax procedures.

IV- The control procedure of the stamp duty on motor vehicles

The collection of stamp duty on motor vehicles having been coupled with the insurance premium subscribed by the insured, proof of payment is by a special procedure.

In order to ensure effective payment of this duty by all vehicle owners, special controls have been earmarked.

A. The proof of payment of stamp duty on motor vehicles

The proof of payment of stamp duty on motor vehicles is by presenting the insurance certificate issued by an insurer.

In any case, the ownership of a current insurance certificate is proof of payment by the person legally liable for the stamp duty on motor vehicles. The insurance certificate must not be issued until complete payment of duties in principal and penalties.

The insurance certificate obtained from an insurer carries a unique identifier and an enhanced barcode to attest its authenticity.

B. Persons entrusted with the authority to carry out control

In conformity with the provisions of Section 602 of The General Tax Code, the control of the stamp duty on motor vehicles is done by duly assigned tax agents from the Directorate General of Taxation with the assistance of agents from the insurance companies and traffic police.

The agents of insurance companies taking part in control must be duly authorized by their respective companies.

C. The procedure and monitoring of control

The control of the stamp duty on motor vehicles is carried out in two forms:

- joint controls carried out quarterly by the agents of the Ministry of Finance (DGT), those of the Transport Ministry, the forces of law and order (police and gendarmerie), and insurance companies;
- controls by traffic police in their routine missions.

Joint control missions are supervised by the Tax Administration which defines the practical modalities of the deployment of control missions over the national territory and also ensures follow up.

In a situation where the control team discovers an offence concerning the stamp duty on motor vehicles, (failure to pay or absence of proof of payment), the vehicle or motorcycle is impounded, personal documents of the driver as well as those of the vehicle or motorcycle are confiscated and deposited at the competent Taxation services against a receipt. These documents cannot be retrieved unless the defaulters must have presented their insurance certificates duly issued by an insurance company following payment of the stamp duty on motor vehicles as well as the penalties.

As a reminder, only insurance companies have the right to collect stamp duty on motor vehicles including duties collected after control missions.

V- Penalties

Penalties for the person legally liable are those enshrined in the Manual of Tax Procedures. They are not peculiar.

As concerns the insured, two types of sanctions are earmarked: Fiscal and penal sanctions meted out on offences in matters of stamp duty on motor vehicles.

A. Offences punishable in the domain of stamp duty on motor vehicles

In conformity with the provisions of Section 601 of The General Tax Code, the following offences are punishable under Tax and penal laws:

- Lack of proof to attest the payment of stamp duty on motor vehicles to agents in charge of control;
- The nonpayment of stamp duty on motor vehicles duly found during control;

- The nonpayment of motor vehicle stamp duty by the insured who has failed to subscribe or renew his insurance policy after it expired at the end of the year.**Fiscal and penal sanctions**

While fiscal sanctions are meted for compliance offences on motor vehicle stamp duty as recalled above, penal sanctions are only applied on offences discovered during road checks.

B. Fiscal sanctions

In conformity with the provisions of Section 601 of The General Tax Code, the nonpayment, payment after the deadline or the absence of proof of payment on stamp duty on motor vehicles by the person legally liable is punishable by penalties equivalent to 100% of the principal duty.

Furthermore, the implementation of the provisions of Section M78 of the Manual of Tax Procedures, the failure to present current insurance certificate to control agents leads to the impounding of the vehicle in accordance with specific rules and regulations in this sector.

1. Penal sanctions

According to the provisions of Section 601(1) and (2) of The General Tax Code (GTC), the absence of proof of payment of stamp duty on motor vehicles and the nonpayment of these duties constitute offences of the second and third class respectively punishable by the penal code.

The said code states that second class offences are punishable by a fine ranging from one thousand four hundred (1 400) to two thousand four hundred (2 400) francs CFA inclusively.

As for the nonpayment of the stamp duty on motor vehicles constituting a 3rd class offence, it is punishable by a fine ranging from two thousand six hundred (2 600) to three thousand six hundred (3 600) inclusively.

In both instances, the discovery of any of the offences entails the impounding of the vehicle or machine.

Examples:

1st situation: nonpayment found during control

During joint controls by MINFI, forces of law and order and insurance companies, a driver is held for absence of proof of payment of stamp duty on motor vehicles by the control agents. His personal documents as well as those of the vehicle or motorcycle are confiscated and deposited at the taxation services against a receipt.

In this particular situation, sanctions for the nonpayment of stamp duty on motor vehicles discovered during control constitute at the penal level a third class offence punishable at both the fiscal and penal levels, that is a penalty over and above the duty payable and a fine ranging from two thousand six hundred (2 600) to three thousand six hundred (3 600) francs inclusively and the impounding of the vehicle.

2nd situation: Late renewal of the insurance policy

A driver who goes to an insurance company on Thursday 21st December 2017 to renew his insurance policy that had expired since July 31st 2017 is not supposed to be punished.

The payment of stamp duty on motor vehicles within the same year does not call for fiscal or penal sanctions. Consequently, there is no liability to a penalty over and above the duty payable.

3rd situation: absence of proof of payment at the end of the year

A driver whose insurance policy subscribed in 2017 voluntarily comes to the insurance company for renewal on the 3rd of January 2018 is liable to fiscal sanctions.

In fact, the nonrenewal of an expired insurance policy at the end of the year is synonymous to the nonpayment of the stamp duty on motor vehicles thus attracting fiscal sanctions of a penalty over and above the duty payable.

B. Modalities of disputes in the domain of stamp duty on motor vehicles

When penalties of an additional duty equal to the ordinary fee is charged against the owner of a vehicle, the following situations may arise:

- he accepts and pays the ordinary fee plus penalties or he pays the ordinary fee and requests for a waiver of penalties ;
- he contests the stamp duty claimed against him on the basis that his vehicle is not in circulation.

1) <u>The procedure of remission of penalties</u>

In conformity with the provisions of section 571 of the General Tax Code, a reduction or waiver of penalties can be granted following a stamped application done by the taxpayer according to the following modalities:

- when the delay is less than one month, reduction or waiver of penalties can be granted after payment of the ordinary fee.
- when the delay is more than one month, a reduction or waiver of penalties can be granted only after payment of the ordinary fee plus 10% of the penalties.

The application for reduction or waiver of penalties is addressed to the Head of the Tax Center of the real tax payer. For the application to be accepted, it must be signed by the applicant, be stamped, and accompanied by the following:

- proof of payment of the ordinary fee and 10% of the penalties in the case where the delay is above one (01) month ;
- copy of the registration certificate ;
- copy of the last insurance policy.

The Head of the Tax Center must reply to the application of the taxpayer within a time frame of fifteen (15) days.

When the insured applies for remission of penalties, the insurance company has to suspend the issuance of an insurance attestation pending eventually the payment of the balance of penalties owed or upon presentation of a waiver of penalties signed by the competent authority. The insurance company must annex to her declaration of stamp duty, copies of waivers presented by the insured.

2) <u>The procedure of dispute of penalties</u>

Any taxpayer who feels to have been wrongly charged to pay penalties because his vehicle was withdrawn from circulation during the period for which the taxes are claimed may file a petition according to the provisions of Section M 116 of the Manual of Tax Procedures.

As such, he shall file a claim to the head of the Regional Tax Center or to the head of the structure responsible for managing large enterprises within a period of thirty (30) days. The above mentioned claim must, for it to be accepted, fulfill the following conditions:

- be backed by proof of payment of the ordinary fee;
- a declaration to withdraw from circulation duly established by the competent Ministry in charge of Transport ;

A declaration to withdraw from circulation cannot be considered when the non-payment of stamp duty on motor vehicles is noticed during control;

In case the claim is rejected or the administration remains silent beyond a time-limit of thirty (30) days, the actual taxpayer may refer the matter to the Minister of Finance in respect in accordance with the provisions of Section M 119 of the Manual of Tax Procedures.

The present prescriptions must be rigorously observed and all difficulties of application brought to my knowledge.

INTERMINISTERIAL INSTRUCTION N° 0060/MINFI/DIPL OF 28 MARCH 2010 RELATIVE TO THE APPLICATION OF DIPLOMATIC PRIVILEGES IN FISCAL AND CUSTOM ISSUES.

Mindful of the Constitution;

Mindful of the Vienna Convention on diplomatic on relations of April 18, 1961;

Mindful of the Vienna Convention on consular relations of April 24, 1963;

Mindful of the Vienna Convention on privileges and immunities of the UNO of February 13, 1966;

Mindful of the Vienna Convention of December 29, 1951 on privileges and immunities of specialized UNO institutions;

Mindful of the General Tax Code;

Diplomatic privileges in taxation and customs are regulated in the Republic of Cameroon as follows;

TITLE I
TAX PRIVILEGES

CHAPTER I
DEFINITIONS AND OVERVIEWS

Section 1. Definitions

A) Diplomatic and consular franchise

Within the meaning of this Instruction, “diplomatic and consular franchise” mean privileges accorded to diplomatic missions, consular posts and accredited international organizations or their headquarters in Cameroon, and members of their staff enjoying diplomatic and consular privileges and immunities, for their exclusive use:

1. Franchise of duties and taxes on products or imported objects;

2. Exemption of income taxes as well as special taxes other than indirect taxes that are normally incorporated in the prices of products;

B) Head of mission

The definition of the “Head of mission”, as the case may be is , the Ambassador, the High Commissioner, Consul General, Consul, any diplomatic agent heading a diplomatic mission or a Representation of an International organization.

C) Diplomatic agent

A “diplomatic agent” is defined as any agent of a diplomatic mission enjoying diplomatic status.

D) Consular officer

A consular officer is he who by career is in charge of consular functions.

E) International civil servant

An international civil servant should be understood as a member of staff of an international organization benefiting of a diplomatic status.

F) Goods and services destined for official use

Should be understood as “goods and services destined for official use”, goods and services intended for the official use of the diplomatic representation, consulate or international organization.

These goods and services include:

1 – Acquiring property to house the chancery and residence of the Head of Mission;

2 – Acquiring materials destined for the construction of the chancery and the residence of the Head of Mission;

3 – Works and real estate services related to the development and securing of buildings referred to in 1) and 2) when the cost is borne directly by the mission;

4 – Services relating to water supply, gas, electricity, telecommunications and cable distribution in the premises of the chancery and residence of the Head of Mission;

5 – The procurement of goods and services for the equipment of the premises of the mission or the residence of the Head of Mission. These include:

- Furniture and office equipment (including supplies and equipment destined to maintain offices);
- Appliances, telecommunication and cable distribution equipments;
- Official vehicles and other means of conveyance used in connection with the mission whose list was duly transmitted to the Ministry in charge of External Relations together with copies of registration cards and certificates of insurance;
- Estimates of repairs and maintenance of official vehicles of diplomatic missions, consulates or representations of international organizations;
- Purchases of fuel for official vehicles in the limits set out in schedule 2.

Section 2. Overviews

A) Reciprocity clause

Can only benefit from diplomatic exemptions under this instruction, the accredited countries that have agree on reciprocal basis, to accord similar advantages to Cameroons diplomatic missions or consulates, which are or would be in place.

B) Exclusions

Cameroonian nationals of foreign diplomatic and consular missions and international organizations as well as their family members are barred tax franchise benefits.

Members of the service staff (people employed as domestic servants of diplomatic missions, consulates and international organization) and “private servants” (employees at the private service of a member of the representation) do not enjoy tax franchise.

C) Special clauses

For international organizations, the establishment agreement which governs or the Headquarters Agreement signed with the Republic of Cameroon must explicitly provide the benefit of the advantages accorded under this instruction, as well as the ranks and functions of the benefiting officers.

A possible check may be conducted only in the presence and with the consent of the diplomatic or consular officer, the international civil servant concerned or his authorized representative.

CHAPTER II:
THE SCOPE OF DIPLOMATIC FRANCHISE

Section 1. Of personal income tax

A) The exempt personnel

Are exempt from paying PIT in Cameroon for activities in connection with their official duties:

- The Head of mission;
- Diplomatic or consular officers holders of a diplomatic card issued by the Minister External Relations;
- Members of staff of international organizations of diplomatic status and

those who the Establishment Agreement or Headquarters agreement clearly states the franchise.

B) The special case of the administrative and technical staff

The technical and administrative staffs of diplomatic missions and similar bodies are exempt from the payment of PIT once it is established that they are liable to income tax in their country of origin.

In any case, if there is absence of evidence establishing their liability to income tax in their countries of origin, they remain subject to PIT under the provisions of tax law of Cameroon.

Section 2. Of Value Added Tax (VAT)

A) Applicable regime to Diplomatic mission, consulates and international organization

Diplomatic missions, consulates and international organizations are exempt from the payment of VAT for the purchase of movable and immovable property for the equipment of their premises.

This exemption also covers expenditures for vehicle repairs, the acquisition of uniforms for the working staff, water supply, electricity, gas, cable distribution and telecommunication as well as goods and services acquired during exceptional circumstances such international days and official festivals of the international organization, diplomatic mission and consulates.
The above exemption also covers the purchase of fuel in the quantities specified limits set out in schedules 1 and 2.

B) The applicable regime to the Head of mission

The Head of mission is exempt from VAT on the purchase of movable property for his residence, spending on maintenance and repair of administrative or service vehicles, as well as on supplies of water, electricity, gas, telecommunication and cable.

This exemption also extends to quarterly purchase of personal property within the quantities specified limits set out in schedules 1 and 2.

C) The regime applicable to the diplomatic staff

The diplomatic staffs of diplomatic missions, consulates and international organizations accredited to Cameroon enjoy the same advantages as heads of diplomatic missions within the quantities specified set out in schedules 1 and 2.

D) The regime applicable to the administrative and technical staff of diplomatic missions, consulates and international organizations

The administrative and technical staffs of diplomatic missions, consulates and international organizations accredited to Cameroon enjoy, within the six (06) months their first installation, the exemption from VAT on purchases of goods and services for their personal use.

The tax law in force in Cameroon shall be applicable to the staff that do not benefit of the privileges enshrined in this instruction.

Section 3. Of the special Tax on Petroleum Products

The diplomatic mission, consulate, international organization and the staff of diplomatic rank are exempt from the payment of the special tax on petroleum products in the quantities specified in schedules 1 and 2.

Section 4. Of registration fees, stamp and tax on land ownership

As concerns registration fees, stamp and tax on real estate, diplomatic missions, consulates and international organizations enjoy the following:

- Acts for which registration is incumbent upon an international organization are registered for free unless otherwise stipulated in a Headquarter agreement with a country of the Economic and Monetary Organization of Central Africa.

- Acts established by foreign diplomatic missions and Consulates of the Economic and Monetary Organization of Central Africa are exempt from the formality of registration.

- Subject to reciprocity, nationals who are not members of CEMAC are exempt from stamp duty on passports and visas.

- The following are exempt from stamp duty on resident permit :

- Assistance staff or of technical cooperation;
- Staff of military or police cooperation;
- Non diplomatic staff of diplomatic mission, consulates and international organizations accredited to Cameroon.

- Exemption from property tax on real estate belonging to diplomatic missions and international organizations haven signed a headquarter agreement with Cameroon. However, the tax is due where the diplomatic mission, consulate or international organizations are no longer tenants of the building. In this case the owner of the property remains liable to property tax.

- Exemption from stamp duty on motor vehicles (vignette automobile) for vehicles owned by those enjoying diplomatic or consular privileges and vehicles used exclusively on temporary admission under international cooperation projects.

- Members of diplomatic missions, consulates and international organizations are exempt from airport stamp duty.

CHAPTER III:

PROCEDURES OF EXEMPTION AND REFUND TAXES ISSUES

Section 1. Tax exemption title issue

The petitions must be formulated like a verbal note signed by the head of mission, the Chargé d'Affaires or any other diplomatic designated for, and addressed to the Minister of External Relations who, after certification will transmit it to the Minister of Finance (DIRECTORATE GENERAL OF TAXATION).

Petitions must be quantified and purchases done through specific suppliers.

So, the pro forma bill which comes with the petition must clearly mention the name, address and Unique Identifying number of the supplier. The pro forma must also clearly show the amount for which the exemption is requested.

Any petition which does not respect that procedure is sent back to the Minister of External Relations.

The certification of the Ministry of External Relations on top of the petition testify:

- the steadiness of the accreditation of the mission
- the effectivity of the steadiness for the advantage requested
- the appropriateness or adequacy of the petition to quotas

The exemption tax certificate issued by the Minister of Finance (Directorate General of Taxation) grantee:

- the steadiness of the petition according to the General Tax Code disposals;
- the steadiness of written proof or evidence;
- the respect of quotas determined by this instruction.

Specifically about fuel tax exemption, diplomatic missions, consular, and international organisation, must periodically send to the Minister of External Relations, the inventory of their cars, with their registrations books and their insurance certificates. This inventory must precisely have names, first names, the quality of those who the vehicles have been allocated to. It must also clearly precise the year of acquiring and be permanently up dated.

Tax exemption title issued through this instruction are valid for 3 months, without a possibility of postponement or anticipation if it concerns fuel or quarterly house provisions of diploma tics missions, consular and international organizations, even their employees or staff.

They have 6 months validity with an exceptional extension of 3 months in others cases.

Exemption titles concerning the administrative and technical staff can not be extended unless there is a justified case of force majeure.

Section 2. The refund taxes

In conformity with the provision of section 149 of the General Tax Code, diplomatic missions, consular and international organisation may apply for the refund of VAT

At the end of each quarter, refund taxes applications must be filled and certified by the head of mission, the Chargé d'Affaires or any other diplomatic designated for, and addressed to the Minister of External Relations who will transmit it to Minister of Finance (Directorate General of Taxation).

TITLE 2
PRIVILEGES IN CUSTOMS

CHAPTER I:
IMPORTATION, USE AND VEHICLES TRANSFER

Section 1. Importation

Can import tourism vehicles with exemption from duties or with tax exemption are:

- diplomatic missions, consular, international organisation for their services needs;
- members of their diplomatic, administrative and technical staff none Cameroonians for private use.

The benefit of that importation for the diplomatic staff is limited to two vehicles per family related to his size, and to one car per family for administrative and technical staff.

The benefit of importation with tax exemption is granted for one year renewable.

Vehicles importation is done according to a registration " d'acquit-à-caution" in guarantee to rights and taxes eventually incurred.

However, about particular case of cars belonging to the property of the diplomatic mission, consular or international organisation, the financial guarantee is replaced by a moral guarantee of the head of mission, who accept to submit himself to the regulation of temporary importation of vehicles of tourism as:

- annual renewal of the temporary importation title;

ban of offering or selling vehicles under temporary importation without previous agreement of Minister of External Relations;

- exclusively use for services or strictly personal.

Section 2. using and transfer

The vehicle strictly devoted to the beneficiary can not be sold, offered or replaced during 3 months, from the registration date unless a case of "force majeure" is establish (mechanical destruction, theft, important accident damages, final departure of the beneficiary).

In case of re exportation, the beneficiary must regularize the customs situation of his car.

The disposal above does not concern vehicles given to physical or moral persons benefiting for the temporary importation system or temporary admission system.

Any way, the transfer must previously be authorized by the Minister of External Relations.

CHAPTER II:
PROVISIONS APPLICABLES TO GOODS IDENTIFIABLES AS FOR LONG LASTING CONSUMPTION, EQUIPMENTS AND BUILDING MATERIALS

Section 1. Goods identifiable as for long lasting consumption

In conformity with above provisions, rights and taxes exemption for importation of goods like refrigerators, air conditioners, video recorder, cookers, televisions, motorized bike, furniture, etc… is agree for the first installation of (ayants droits diplomatic) and none diplomatic (administrative and technical staff) and for the duration of their stay only for diplomatic agents. Nevertheless, for those ones, the duration of life of articles will be taken in account and the regularization of the customs situation of the previous exempted ones.

Section 2. Equipments and building materials

Only equipment and building material devoted to the building of diplomatic mission, chancelleries, consulate head of by a consular civil servant can benefit of customs exemption or the refund of paid taxes. Material and Equipment above are considered to be an integral part of work involved.

Section 3. Selling or ofering goods identifiable as for long lasting consumption.

Goods identifiable as for long lasting consumption and devoted to the official use of diplomatic mission, international organization or the use of their members can not be given up or sold.

In fact, the application for exemption from customs duties established by the head of the representation and certified by qualified Cameroonians services, specify the commitment of the beneficiary not to dell or offer goods.

TITLE 3
FINAL PROVISIONS

It is still understandable that quantities indicated in annex 1 and 2 are the roof or the limit which can not be crossed and exemption duties granted under head of mission responsibility must correspond to the real needs of beneficiaries.

Goods exempted in this instruction notably equipment and building materials must be delivered to the beneficiary of the exemption certificate or to his representative duly appointed.

The related deliveries slip must necessarily include the names, first names, addresses of the head of reception and eventually the type and the registration vehicle number, driver's name, the date and all the helpful information.

Moreover, they must resume the number and the date of the definitive bill and payment modalities (check number, bank, cash…)

If the definitive bill is also a delivery slip, it must obligatory include above mentions.

The non-observance of provisions above may lead to, in case of offence, the responsibility of the defaulting supplier.

The re exportation of goods and vehicles admitted to the exemption from customs duties must be certified by customs services and copy of the helpful documents handed over to the Minister of External Relations to up date the master file involved.

The present instruction is applicable from the date of signature. It abrogates provisions of the interministerial Instruction No 0123/MINFI/DIPL of the 20th November 1989 related to the application of diplomatic privileges and modify the provisions contrary of Instruction No 0001/MINEFI/DI/L of the 4th February 2004 précising modalities of application of the fiscal provisions of the Finance Law for the year 2004.

APPENDIX 1

Quarterly quota authorize for house provisions and goods long lasting consumption for the diplomatic corps, consular and international organization.

	Head of mission	**Other diplomatic**
Champagne and wines	120 litres	80 litres
Spirituous or spirits	60 litres	30 litres
Beers and non alcohol drinks	80 cartons of 24 bottles of 33cl or equivalent	60 cartons of 24 bottles of 33cl or equivalent
Cigarettes	2,000 cigarettes(10 cartons of 200 cigarettes)	1,600 cigarettes (8 cartons of 200 cigarettes)
Tobacco	10 parquets	8 parquets

APPENDIX 2

Quarterly quota authorize for fuel exemption for the benefit of diplomatic corps, consular and international organization.

	Official of mission	**Head of diplomatic mission**	**Others diplomatic**
Fuel	2,000 litres per vehicles up to 10 vehicles	2,000 litres	1,200 litres

JOINT CIRCULAR N° 0002335 /MINATD/MINFI OF 20 OCTOBER 2010
TO SPECIFY THE MODALITIES OF APPLICATION OF LAW NO 2009/019 OF 15 DECEMBER 2009 ON LOCAL TAXATION

THE MINISTER OF STATE, MINISTER OF TERRITORIAL ADMINISTRATION AND DECENTRALIZATION AND THE MINISTER OF FINANCE

TO**:**

- *Municipal Executives ;*
- *The Director General of Taxes ;*
- *The Director General of Customs;*
- *The Director General of the Treasury, Financial and Monetary Cooperation;*
- *The Director General of the Budget;*
- *The Director General of the Special Council Fund for Mutual Assistance (FEICOM);*
- *The Director of Decentralized Territorial Communities;*
- *Regional Revenue Collectors;*
- *Municipal Revenue collectors.*

The Law on local taxation promulgated on 15 December 2009 falls in line with the implementation of the decentralization process.

Essentially, the new disposition aims at:

- raising the level of fiscal revenue of local councils through the transfer in their favour of the proceeds of some taxes and dues ;
- ensuring a better reallocation of resources through fiscal equalisation;
- reinforcing the financial autonomy of decentralized territorial communities by the organization of the progressive transfer of competences in terms of the management of local taxes and direct access to the revenue devolved to them;
- the enhancing the values and revenue from local taxation.

This circular specifies the interpretation and application modalities of the said law, and provides the practical orientations necessary for its implementation.

It shall there by provide clarifications on:

- general provisions;
- the local development tax and communal taxes administered and managed by the State but whose proceeds are destined to decentralized territorial communities;
- communal taxes administered and collected by the decentralized territorial communities;
- specific provisions to intermunicipal and equalization taxes and dues, and to those of regions;
- procedural rules.

PART ONE
GENERAL PROVISIONS

A - Scope of application

The Law on local taxation treats all taxes and levies which are collected by decentralized units or transferred to the said communities whatever their nature and purpose.

As such, it applies:

- to councils;
- to city councils;
- to sub divisional councils;
- to the regions;
- to inter-municipal bodies;
- and to any other type of territorial community created by the State.

B - Tax competences devolved to decentralized territorial communities

The Law on local taxation specifies that a territorial community can only collect a tax, a due or a royalty if the said tax, due or royalty are created by law, voted by the deliberating organ and authorized by the competent authority.

Thus, the levying of a tax by a Decentralized Territorial Community can only take place if three (3) cumulative conditions are fulfilled:

- the creation of the said levy by the law;
- the institution of this levy by the deliberating organ within the territorial jurisdiction of the local community;
- the approval of the deliberation by the competent supervisory authority.

In fiscal matters, the exclusive competences of the decentralized territorial communities are as follows:

- in terms of tax base, the institution within the communal area of communal taxes already created by the law and fixing of rates and tariffs within the limits and ranges provided for by the law, by the municipal council during the annual budgetary session;
- in matters of collection of municipal taxes, the competence belongs to the municipal Revenue collector after issue by the municipal recovery services;
- in matters of litigation, the competence of the Municipal administrator for examination at first instance of claims relating uniquely to municipal taxes, to the exclusion of the local development tax and communal taxes.

Moreover, it should be specified that the decentralized territorial communitieshave no fiscal competence as concerns local taxes, administered and managed by the State, of which the revenue is simply transferred to them.

A- **The principle of solidarity and harmonious development of all decentralized territorial communities**

The Law on local taxation implements the principle of solidarity among decentralized territorial communities in view of their harmonious development

It consecrates the principle of financing of this solidarity through two mechanisms as follows:

- the principle of solidarity by inter-municipality through FEICOM;
- the principle of solidarity by equalization of the product of some local taxes centralized by the said body.

1) The principle of solidarity by intermunicipality through FEICOM (article 116-1)

The mechanism of intermunicipality consists, for territorial communities to transfer to FEICOM, a quota of the product of some dues and taxes.

To this effect, 20% of the product of additional council tax, parking fees, business licenses, liquor licenses, the tax on land ownership and duties onreal estate transfer.

The revenue thus constituted serves to finance, the proper functioning of the body on the one hand, and, the various interventions in favour of the local communities on the other hand.

2) The principle of solidarity by equalization of the product of some local taxes centralized by FEICOM (article 5, 116-2, 119-2)
Article 5 of the law on local taxation institutes as such a horizontal equalization mechanism which consists in centralizing and redistributing some shares of taxes and dues, in order that the territorial communities with high tax yields palliate the insufficiency of resources of local communities with low fiscal potential, by direct payment into their budgets.
The centralization of the following products, subject to equalization, is assured by FEICOM:
- 70% of additional council taxes including;
- 28% of basic deduction in favour of the council or the City council;
- 42% of the balance centralized to FEICOM in conformity to the regulatory.
- provisions in force;
- 20% of the share of annual forestry royalty transferred to councils;
- 100% of windscreen licenses.

The application modalities of the equalization are fixed by special texts.

D - Modalities of follow up of the output of local taxes
According to article 6 of the law on local taxation "the State makes sure that the annual output of local taxes corresponds to a proportional rate established in relation with its level of fiscal resources ".
"To this effect, the financial services of the State involved in the fiscal management of territorial communities are supposed to ensure, with the same efficiency as for State taxes, the collection of local taxes of which they have the responsibility".
The Law thus lays down the principle of efficiency and profitability in the management and follow up of local taxes.
In order to arrive at this result, the officials of taxation services of the State and decentralized territorial communities should determine annually:
- the quantitative objectives of the revenue expected per nature of tax ;
- the qualitative and quantitative indicators for follow up-evaluation of the said revenue.

The term "indicator" refers to the various criteria or markers capable of enabling us appraise and evaluate monthly and quarterly the output level of taxes and dues of the DTCs.

PART II:
BUSINESS LICENCE

Articles 8, 9, 10, 11: criteria of liability
Any natural or corporate body which exercises a lucrative activity in a habitual manner within a council area is subject to business license contribution.
It should be understood that by habitual and lucrative activity, means any repetitive exercise of acts of trade as a profession with the goal of realizing a profit.
Non lucrative activities recognized as public utility by a decree and those to which access is free are excluded from this category.
However, some activities exercised whatever their nature and the amount of turnover realized, are liable to the business license payment as of right. These are notably the activities presented in annex II of the law on local taxation that obligatorily requires the establishment of a business license for the person carrying them out.
It should be underscored that the activities of nongovernmental organizations and common interest groupings are considered as non lucrative activities when they are recognized as public utility by decree and when access to the services they offer is free of charge.

<u>Article 12</u>: Exoneration from business license for new enterprises

New enterprises are exonerated from the payment of the business license during the first two years of their activity.

For the implementation of this measure, we should understand "new enterprise "to mean that which is registered in the trade register during the year considered and who goes to the taxation service for the first registration.

On the basis of an application introduced by this category of enterprises, the chief of the competent taxation centre (DTC, METC, LTU, etc.) issues a license bearing the indication **"EXONERATED"** which they can use in their various transactions.

Shall not be considered as new enterprises for the benefit of the measure, enterprises that were previously under the discharge system of taxation and have been reclassified to the business license, enterprises already having a single identifier and simply changing the place of filing returns or better still, those registered in the trade register and changing management.

Similarly, new enterprises shall remain subject to the other formalities surrounding the creation of a tax file in their relevant centre, notably the location, registration, the payment of various duties …

Concerning the computation of the two year deadline during which the exoneration is valid, any year started counts for a full year.

Moreover, enterprises having benefited from this measure and which after the years of exoneration are eligible to particular tax regime providing similar advantages can still aspire to the benefit of the said exoneration.

<u>Articles 13, 14, 15, 16, 17, 18, 19, 20 and 21</u>: Assesment modalities

The modalities for the establishment of the license have not been modified by the new law. Consequently, the rules governing the place of establishment, the personality, the annual nature of the license and the calculation shall continue to be applied.

Therefore, the license should be declared within the ten (10) days which follow the start of the taxable activity, even in case of exoneration.

In case of renewal, the annual declaration should be made within the first two months of the year, that is to say before the 1st of March, or within the first two (02) months following the end of the two (02) years temporary exoneration.

Taxation services shall particularly see into it that, in addition to the habitual information on the identification of the taxpayer, the license return contains necessarily:

- the number of the trade register;
- the registration number of the enterprise;
- the references of location (of head office and respective establishments per town, quarter street, door number) ;
- the nature of activity;
- amount of turnover ;
- the reference of the last receipt of land tax or of the tenancy contract;

The license due is the result of the application of a digressive rate fixed by the beneficiary local councils on the turnover realized by the taxpayer during the previous financial year.

For the final determination of the turnover of the previous financial year (N-1), the taxation services will carry as the case may be rectifications of the bases at the time of declaration of the CT and VAT balances.

The rates applicable are fixed by the deliberating organ of each beneficiary council in conformity with the range retained by the law.

It should be recalled that the particular modalities for the calculation of the license of interurban transporters of persons, transporters of goods and enterprises realizing a turnover higher than 2 billion francs are maintained. Thus:

- individuals subject to the simplified regime of transporters provided for in article 64 of the General Tax Code pay the license according to the modalities defined in article 13 (5) of the law on local taxation;
- individuals or corporate bodies under the actual regime are liable to the license annually according to the global turnover of the vehicles.

For this last case, the transporter of goods or of persons concerned establishes a single license for all their vehicles at the council hosting the head office of the enterprise.

As concerns the bases of assessment for enterprises fully subjected to the license, where the turnover is less than five million, the minimum of levy should be retained by using the range of 0.283 % to 0.400% of annex I concerning the table of the corresponding classes of licenses and the corresponding brackets.

Articles 29, 30, 31, 32: Sanctions

The sanctions provided for in case of nonpayment, late payment, failure to display the license or exercise of an illegal or forbidden activity are the same as those provided for previously.

Also, the following penalties should be applied:

- 10% per month of delay of payment of the license, with a maximum of 30% of the tax due;
- Best judgment assessment for any taxpayer not having paid the license with an increase of 50% or 100% of the duties due, depending on whether good faith is established or not;
- CFA 10,000 francs in case of failure to display the license;
- Collection of duties for the license in case of the exercise of an illegal or prohibited activity accompanied by an increase of 100% of the duties, without issuance of the license;
- For the particular case of transport enterprises, the failure to present the license leads to the impounding of the vehicle.

Moreover, the measures concerning the closure of establishments and impounding of vehicles are still in force.

PART III:
LIQUOR LICENCES

Articles 33, 34, 35, 36, 37,40 : criteria of liability

Individuals or corporate bodies with or without authorization, carrying out the manufacture, whole sale or retailing of alcoholic drinks shall be subject to the liquor license.

The same thing holds for importers of the abovementioned drinks, which are equally subject to the liquor license, even when these drinks constitute the accessory of a principal activity.

As a reminder, the sale of mineral water, gaseous waters, aromatized or not by non alcoholic extracts and the sale of fresh unfermented juice, when it is carried out in a separate establishment from the one comprising the taxable drinks does not give rise to liquor license. However, when this water is sold in the same establishment as the taxable drinks, it is subject to the liquor license.

Articles 43, 44: Assessment modalities

- With regard to the assessment modalities, new tariffs are provided for by the law on local taxation. The amount of the license due is determined by applying the amount of the license or of the discharge tax on the tariff corresponding to the category of drinks concerned as follows:

Nature of activity		Activities liable to the business license	Activities liable to the discharge or global tax
Class of License	**Basic element**	**Contribution business to license**	**Amount of the global tax**
1st class	Non-alcoholic beverages	02 times the business license	01 time the amount of the global tax
2nd class	Alcoholic beverages	04 times the business license	02 times the amount of the global tax

However, with regard to operations capable of giving rise to the various licenses realized within the same establishment, the base to be retained for the calculation of the licenses shall be that of the activity giving rise to the highest license. Thus for example, if an enterprise offers to its customers at the same time alcoholic and non-alcoholic drinks, the license duty to be taken into account shall be liquidated on the basis of alcoholic drinks.

Article 43: Sanctions

The nonpayment, the non display or the non presentation of the license, are subject to the sanctions provided for the same offences in terms of business license.

PART IV:
THE GLOBAL OR DISCHARGE TAX:

Article 45: Criteria of liability

In addition to commercial, industrial and other activities which were already subject to discharge tax, the law on local taxation extends the scope of this tax to artisanal and agropastoral activities that neither fall under the regime of actual benefit nor the simplified taxation system, nor the basic system, and of which the turnover is less than 15,000,000.

Article 46, 47: Assessment modalities

The assessment modalities of the existing discharge tax were maintained by the new law on local taxation.

Nevertheless, and as a reminder, the discharge tax is due per council and per establishment, except for mobile traders who pay their discharge tax in the council of their residence.

The discharge tax is equally due per distinct activity, the distinction of activities being formed here in conformity to the list fixed by the law.
Thus, if in the same establishment are exercised two distinctive activities

according to the abovementioned list, and which are not complementary, each of activity should be subject to a separate taxation.
As an illustration, if the same establishment sells educational stationeries and deals in hair dressing, each of these activities is subject to the payment of a separate discharge tax.

The product of the discharge tax is entirely devolved to the councils and subdivisional councils, to the exclusion of city councils, and henceforth of FEICOM.

The persons liable should pay a tax on local development which is a tax due in return for specific services and whose modalities are specified later on.

On the contrary, the audiovisual royalty is not applicable to the discharge tax.

The tariff of the discharge tax is fixed by deliberation of the council according to the list of activities fixed by the law in the following categories and brackets:

-	Category A	0 F	to	20,000 F
-	Category B	20,001 F	to	40,000 F
-	Category C	41,001 F	to	50,000 F
-	Category D	51,001 F	to	100,000F

The discharge tax is declared and paid within the fifteen (15) days that follow the end of each quarter. Successive payments are inscribed on the discharge tax follow up form.

The levying of the discharge tax is done by the taxation services, in a unique issue slip in favour of the council or the subdivisional council of the location of the enterprise.

Article 47: Sanctions

The Law institutes sanctions in case of nonpayment of the discharge tax, and of failure to display the payment form of the said tax.

In case of nonpayment of the discharge tax within the legal deadlines, the closure of the establishment shall be effected, and concomitantly, the application of a penalty of 30% of the tax due.

The non display or the non production of the discharge tax payment form shall lead to the payment of a fine of CFA 5,000 F CFA, under the same conditions as the principal tax.

The sanctions for nonpayment of the discharge tax are not cumulative with those applicable for failure to display or to produce the discharge tax payment form.

For hawkers and transporters, a seizure of goods can be carried out, in conformity with the modalities provided for by the law. Perishable goods can only be seized after a warning is served to the taxpayer according to the forms provided for by the law.

However, taxpayers under the discharge tax can opt for the basic system. This option being irrevocable, it follows that from its notification by the taxpayer to the chief of taxation centre, it becomes final.

PART V
LAND TAX AND DEEDS OF CONVEYANCE

Article 48 et 49: Transfer to councils of the product of land tax on real estate ownership and deeds of conveyance

The provisions relating to liability to land tax and the transfer of ownership of property remain those contained in the General Tax Code. The law on local taxation however consecrates the transfer of the product of land tax and the registration duties on the conveyances to the council of the place of their situation.
However, there shall no longer be the collection of additional council taxes on land tax.

PART VI
TAX ON GAMBLING

Article 50: Total transfer to the councils of the product of the tax on gambling

The law on local taxation consecrates the integral transfer of the tax on gambling to the council of the place of exploitation of the games.

However, for towns endowed with a city council, the tax on gambling I integrally and exclusively remitted to the city council.

The general rules relating to the tax on gambling are still governed by the General Tax Code and its texts of application.

Notwithstanding, there shall no longer be any collection of additional council tax on this tax.

PART VII
WINDSCREEN LICENCE

Article 51: Complete transfer to the councils of the product of the automobile stamp duty

The law on local taxation consecrates the integral redistribution of the product of automobile stamp duty to councils and city councils by the equalization mechanism. The modalities of this redistribution are set by a special text.

Consequently, FEICOM or any other body in charge of the centralization and equalization should not carry out deduction of any nature whatsoever on the product of the windscreen license which is remitted to it.

The provisions relating to the tariffs, collection modalities, payment deadlines, exonerations and sanctions are still those contained in the provisions of articles 594 to 603 of the General Tax Code and its texts of application.

The modalities of ordering, sale and the regime of remittances on the sale of windscreen license are fixed by a special text.

PART VIII
THE ANNUAL FORESTRY ROYALTY

Article 52: Distribution of the communal share of the annual forestry royalty

In conformity with the provisions of article 243 of the General Tax Code, councils benefit from a 40% share of the product of the annual forestry royalty.

The law on local taxation fixes the distribution of this share as follows:

- 50% as withholding at source to the profit of the council of location;
- 50 % as the balance centralized for FEICOM or any other body charged with the centralization and equalization of local taxes.

By council of location, it should be understood the council hosting the surface area of the forestry exploitation title (UFA, sale of felled timber) giving rise to payment of the royalty and not that hosting the headquarters of the enterprise exploiting the title.

When an exploitation title covers the territory of more than one council, the distribution of the share pertaining to the council of location should be done proportionately to the surface area of the title occupied in each council.

Thus for the concessions, the AFR is paid in three installments of an equal amount and successively on 15 March, 15 June and 15 September of the year, to the competent taxation services. For the sales of felled timber, the royalty is paid in totality within the forty-five (45) days that follow the deposit or the renewal of the title owner's bank caution.

PART IX
ADDITIONAL COUNCIL TAX:

Articles 53 to 56: The additional council taxes are collected by the taxation and customs administrations in favour of the council. The additional tax being deducted at the same time as the principal of the tax on which they are levied, their collection follows the lot of these taxes whose collection modalities are those provided for in the General Tax and the Customs Code.

The product of the additional council tax is distributed as follows:
- 10% to the State, as levying and collection fees;
- 20% in favour of the Special Fund for Mutual Assistance (FEICOM);
- 70% in favour of councils, sub divisional councils and city councils.

The distribution and the issue of the additional council tax is done in accordance with the provisions of articles 55, 115 and 116 of the law on local taxation.

PART X
COUNCILS TAXES
I - THE LOCAL DEVELOPMENT TAX (LDT)

1) General provisions

The Local Development Tax instituted by the law on local taxation is applicable as of right. To this effect, the collection of the said tax is not subordinate to the vote of the municipal council or the city council.

The LDT is collected in return for the services such as public lighting, drainage, refuse disposal, the functioning of ambulances, water and electricity supply. This requirement for consideration derives from the obligation that weighs on the local communities to work towards the provision of the abovementioned services and as well as their maintenance.

Moreover, it should be noted that the product of the LDT is allocated in priority to development or to the maintenance of services. As such, the expenditure projection for the development and maintenance of these basic services should be at least equal to the LDT revenue collected during the previous financial year.

2) Liability

Those liable to the payment of the local development tax are natural persons, including those liable to the global tax and business license for their professional activities.

The natural persons mentioned here, besides those liable to the business license and discharge/global tax, include employees of the public or private sector, earners of a monthly salary or a salary arrears. Nevertheless natural persons having a monthly salary less than CFA 62 000 francs are exonerated from the payment of the said tax.

3) Assessment

The LDT is levied on the basic salary for workers of the public sector, and on the salary corresponding to their categories with regards to employees of the private sector, as well as on the principal of tax, as concerns persons liable to the discharge/global tax or to business license.

The basic salary refers to the index or wage corresponding to a category, served to the worker. It does not include allowances and other advantages in kind which contribute to the gross salary. The basic salary is equally different from net salary which refers to the gross salary minus the taxes and social dues.

It is due for natural persons from the payment of the salary to the employee, and is payable at the same date like every other withholding at source that has to be carried out from the employee's salary by the employer.

For natural persons or corporate entities liable to the global tax or the business license, the LDT is due during payment of the global tax or the business license on which it is levied. Enterprises of the Large Tax Unit and the METC are supposed to issue a unique transfer order for the license, which should specify the share of the LDT.

The law on local taxation fixes the maximum tariffs of the LDT. It is thus left to the beneficiary councils and city councils to communicate to the taxation services, the tariffs set by the council within the ranges fixed by the law. When the tariffs are not communicated to the services, the latter apply the maximum tariffs the maximum tariff of a tax bracket constituting the minimum tariff of the upper bracket.

For employees of the public sector, the proceeds of the LDT is centralized at FEICOM and shared to all the councils just as the council additional surtax.

4) Sanctions

Given the specificity of this tax, the sanctions relating to the nonpayment of the local development tax, follow the procedures applicable to the taxes and duties on which it is levied.

II- <u>THE OTHER MUNICIPAL TAXES</u>

<u>Articles 61 et 62</u>: General provision relating to communal taxes

The law on council tax institutes besides the local development tax, other local taxes which are exhaustively enumerated. Councils in the frame of this enumeration can instate them by deliberation of the municipal council.

Unlike the LDT for which the council is empowered to deliberate on the rates applicable in the jurisdiction of the municipality, a council tax shall be levied in the territory of the municipality only if it has been established by the municipal council. This deliberation where appropriate, shall fix the rates when the law provides ranges within which the municipality is authorized to adopt the rates applicable in its territorial jurisdiction.

In more concrete terms, the councils can only collect a municipal tax when the latter is provided for in article 62 of the law on local taxation and has been instituted by a deliberation of the municipal Council.

On the contrary, when the council has not instituted by deliberation within its territorial jurisdiction the tax provided for in article 62 of the law on local taxation, this tax cannot be subject to deduction from the taxpayers of the council.

A communal tax instituted by deliberation of the municipal council is due by any person who, within the territorial jurisdiction of the municipality, either carries out taxable operations, or fulfills the specific criteria provided for by the law for each tax, such as the keeping a liable good, the exercise of a taxable activity, liability to a tax of an activity or a situation constituting its developer as liable to tax.

A- SPECIFIC PROVISIONS TO THE VARIOUS MUNICIPAL TAXES

Articles 63 to 65: The cattle slaughter tax

1) Liability

The cattle slaughter tax is due by everybody who slaughters livestock in a slaughterhouse developed or managed by the council, whatever the quality of

the person, whether the slaughtered animal is meant for domestic consumption or for sale. The animals referred to in this circular comprise all livestock with the exception of poultry and rabbits and rabbits. Slaughterhouses developed by the council refer to those constructed, repaired or equipped by the municipality alone or with other public or private persons, once the latter carried out works there in view of rendering it operational. It is not necessary that the infrastructure be the property of the municipality, its participation in its development is sufficient for the collection of the slaughtering tax.

By slaughterhouse managed by the municipality, it should be understood as those that are either directly administered by the services of the municipality, or by means of a municipal management, or by a public establishment created by the council. Also forming part of it are developed slaughter houses or the premises used as such rented to the council by public or private persons and directly administered by the council.

The slaughtering tax is not due by the persons take their animals to be killed in slaughter houses developed or managed by public or private persons other than the council or communal public establishments duly authorized by virtue of the legislation applicable in matters of the slaughtering of animals. However, these persons are not exempted from the payment of service duties and taxes collected by veterinary services by virtue of the legislation in the domain of sanitary and veterinary inspection.

2) Assessment

The cattle slaughtering tax is due before any slaughter of animal is underway and payable at the time of presentation of the animals at the slaughter house, the latter being the generating act. The council services proceed to this effect with the registration of the animals to be slaughtered and to the collection of the duties as specified in article 65 (1).

Its rate is fixed respectively for cattle and equines at CFA 1,000 francs per head, for pigs at CFA 400 francs per head and for sheep and goats at CFA 250 francs per head.

3) Sanctions

The fraudulent slaughtering of animals is punished by a fine per head of cattle killed fixed at CFA 10,000 francs for cattle and equines, and CFA 5,000 francs for the other animals concerned. This fine which is collected without prejudice of the sanctions provided for by the legislation in matters of slaughtering and hygiene, is immediately payable from the moment the offence is noticed by the municipal agents designated to this effect.

By fraudulent slaughtering, it should be understood in addition to the slaughtering in slaughter houses developed or managed by the councils of the animals mentioned in article 64 without payment of the slaughtering duties, any slaughtering of the said animals in violation of the legislation in matters of the slaughtering of animals and hygiene. The municipal services should contact the veterinary services to ensure the respect of the said legislation.

It remains understood that fraudulent slaughtering of animals gives right to the collection of the slaughter tax normally due at the rates in force, in addition to the fine for fraud.

It should also be recalled that the slaughtering tax being due before slaughtering of the animal, the nonpayment of the duties leads to the suspension of the slaughter until the payment of the tax due.

Articles 66 to 72: The municipal tax on cattle

1) Liability

The council tax on livestock instituted by the law on local taxation is payable by owners of herds. It is due per year by individuals and entities possessing herds from the 1st of January of the considered year, no matter whether it is for domestic or commercial purposes.

Consequently, the livestock council tax is due by persons who rear bovine in view of selling them alive or in the form of meat (flesh), as canned products, for touristic purpose, for domestic consumption, for scientific or medical experiences or for any other goal insofar as they are not listed by the exemptions of Section 67.

The following are exempt from the payment of cattle tax:

- All State owned animals regardless of their use, at the exception of all other public entities including councils and public establishment;
- The owners and keepers of animals imported from abroad for the purpose of reproduction, particularly for experimental purposes by scientific and medical research structures, universities and agricultural training centers and those imported by structures or individuals in view of reproduction in breeding farms;
- Owners or keepers of animals employed in plowing and other agricultural exploitations. This concerns animals used for labour activities. Those used to drag carriages are liable to the payment of the tax if only they are not employed for labour activities as well;
- Owners and keepers of animals bred by charitable organisations for social works. Charity works shall refer to services rendered by recognized public utility organisms carrying out non-profit making activities. They are exempt from the cattle tax solely for the keeping of animals used for a social goal, that is, they are bred for the consumption of pensioners, in the course of their training or apprenticeship agropastoral profession.

2) Liability and assessment modalities

The council cattle tax is payable no later than the 15 March of the fiscal year in respect of the number of cattle kept or owned. The taxpayer shall declare no later than the above mentioned date to the council of localization of the herds. The tax rate is decided by the municipal council within the range of 200 and 500 CFA FRANCS per head.

For the purpose of cattle tax, Council of localization of herds shall mean, the benefiting municipality of the proceeds of the tax, which may be the council or rural council where the animals are situated.

It is important to note that, when the taxpayer has paid the tax on livestock for a given year, his displacement within the jurisdiction of another municipality does not entail the payment of a new tax on the same animal for the same year. The taxpayer need only prove that he paid tax to another municipality.

A headcount of taxable animals is organized every year by the council of location in conjunction with livestock services. This control is done at the initiative of the council that determines the procedures under its jurisdiction.

Moreover, it should be recalled that, the payment of council taxes on livestock does not exclude, where appropriate, the taxing for discharge tax or income tax for the same animals when they perform activities liable to these taxes.

Thus, where a cattle owner who is liable to municipal tax on livestock also exercises in a regular manner the activities of a livestock dealer, he shall be liable based on his turnover, to personal income tax (PIT) according to the regime in which he is classified or discharge tax as referred to in paragraphs b, c, and d of Article 46 (2).

3) Sanctions

Taxpayers of the council tax on livestock are required to pay their due no later than 15 March of the year. Upon expiration of the deadline, communal services are entitled to issue an order to pay, lest the cattle in question is seized and impounded. In this case, before any return of his animals, the debtor pays the principal, impoundment fees and the costs relating to the maintenance of the animals during their stay in impoundment according to the provisions of section 130 of the law on council.

If within thirty days after the impoundment of animals, the debtor has not paid his tax debt, the head of the cash desk may be authorized by the mayor to proceed with an auction sale of the animals according to the OHADA Uniform Act on simplified procedures on recovery and enforcement with regards to article 130 of the above mentioned law.

Articles 73 to 76: The tax on fire arms

1) Liability

The tax on fire arms is due for a year by any holder of a fire arm, even out of use, and who is bound to make the declaration at the latest on the 15 March of the year in question at the council where the arm is located.

The keeping of a fire arm alone at the 1st of January of the year, whatever the use made of it by the holder, entails liability for the tax on fire arms for the year in question. However, it should be noted that the keeping by dealers of arms in their stores and warehouses, for sale does not make them liable to this tax. Meanwhile, using these arms makes the dealer liable.

Use of firearms is constituted by either personal usage for whatever end, or by the putting on hire for shooting stands, or by any other usage having as effect removing the arms from the warehouses and stores, even if the dealer remains its owner.

The following are exempted from the tax on fire arms, apart from firearms dealers as specified above:

- The State for all the arms belonging to it including arms provided for the various defence or security forces and those confiscated and kept by administrative services, the police, the gendarmerie or the courts;
- Ordinance arms belonging to military men in active service and to reserve officers.

2) Assessment

Persons liable for payment of tax on firearms are required to declare and pay the tax on firearms at the council of location of the weapon, on or before 15 March each year. The municipality of the place of location of the weapon is the place of residence of the owner.

The law has instituted the establishment at the latest 15 March of the current year, of a list of weapons held within the territorial jurisdiction of the municipality by the Divisional Officer and the head of the municipal executive. In the preparation of this list, the head of the municipal executive conducts census of persons holding firearms within the jurisdiction of the council, notably by inviting the people to declare their weapons through billboards and press.

Since citizens have the obligation to obtain an authorisation for carring firearms for some categories of weapons, the exploitation of the card index of holders of weapon can be carried out in view of the constitution of the said list.

3) Sanctions

Any concealment of taxable weapons, illegal detention or misrepresentation gives rise to a penalty of 100% of the evaded fee payable immediately in addition to the principal amount of the tax normally due, without prejudice to the penalties laid down in the regulation on arms.

<u>Article 77</u>: Hygiene and sanitation tax

The Law on local taxation institutes a tax on hygiene and sanitation collected by the council for the control of foodstuffs and buildings for commercial and industrial use.

The modalities of application of this tax shall be specified by a special instrument.

<u>Article 78</u>: Pounding fees

1) Liability

Impounding fees are due by the owners and holders of straying animals and objects found without keeper or placed in violation of the regulation on the traffic system. For the purpose of this measure, it is necessary that any of the liability criteria mentioned below be fulfilled:

- stray animals;
- establishment of a breach of traffic regulations;
- the existence of objects without keeper.

Stray animals should be understood as all animals found on the public thoroughfare without an owner. The offence to the regulation on the traffic system on its part is defined as any alleged breach of regulation on the use of the public thoroughfare notably the failure to present the parking tax stamp, failure to pay the parking fee, irregular occupation of the public thoroughfare. For its part, the object without owner refers to any abandoned movable good which is found on the public highway.

2) Modalities for the collection of pound fees

The generating event of the pounding fees which coincides with the due date of the said fees is constituted by the entry of the good in a constructed and secured enclosure, materialized by a pounding report issued by the council staff or by the staff of the judicial police.

The simple establishment of the infringement does not lead to impounding of the good, but the collection of simple police fines. The impounding fees are therefore not payable at the time of seizure of property.

For the application of impounding fees, it is up to the council or the city council of the locality to fix by deliberation the applicable rates within the limits laid down in article 79. It is thus up to the said municipality to inform taxation services within its jurisdiction as soon as possible about the chosen rates. Lack of information would lead the taxation services to apply the rates in force during the previous year.

When this dues are applied for the first time within the jurisdiction of the municipality, without the latter communicating the resolutions of the deliberations fixing the applicable rates, the maximum legal rates will be applied up to the holding of a deliberation setting out the rate to be applied.

3) Sanctions

Impounding fees constitute a sanction. As a result, they come to supplement the fees for the breach of traffic regulations. The proportion of impounding fees due by the offender is proportional to the number of days, the rates being fixed on a daily basis. The payment of the charges to the municipal revenue collector immediately puts an end to the impoundment.
In case of non-payment of the impounding charges within the time limits to the municipal revenue collector, he would go ahead, 30 days after the pounding, to issue a warning to the owner or holder which is tantamount to an order to pay. This formal notice grants him an additional period of eight days to execute.

The warning takes the form of a letter addressed to the liable person to his known address, or failing which by posting on billboards at the local council concerned. The revenue collector carries out the discharge of the fees due by the liable person and gives back the eventual balance to him.

Articles 80, 81, 82, 83, 84, 85 of 86: Market tolls

1) Liability

Tolls for a space on markets such as presented by the law on local taxation are collected from both regular traders and occasional sellers who occupy a space in all the market belonging to the subdivisional council or the city council as the case may be.

The regular trader is understood as the one who, in a continuous or habitual manner, occupies a specific and permanent space in a market, whereas the occasional seller is the one who exercises in a fortuitous or accidental manner in the said market.

2) Assessment

The fixing of the tariffs pertaining to the right of space on the market, should take into account the standard of living, the specialization of markets and the situation of major supply centers.

Disparity in life style should be understood as each locality to having a standard of life that suits its degree of development. As such, the higher the standard of living, the higher the toll for market space.

The specificity of the markets for its part is due to the fact that, some markets differ from others in relation to their size, the type of goods sold and the volume of revenue that they generate.

With regards to the consideration of big supply centers, a ruling should be given based on the fact that the tariffs are high, depending on whether one is nearer the big supply centers, and lower depending on whether one is further away from the said centers.

The abovementioned dues are payable as from the signature of the lease agreement between the council and the trader, as concerns the regular seller, and are payable at maturity of the contract. For the occasional seller, the generating factor and the liability coincide with each other, which implies that the dues are payable and paid as from the installation of the goods in the market.

3) Sanctions

A fine ranging from CFA 5,000 francs and CFA 10,000 francs is provided for in case of sub-letting or the nonpayment of the dues per day.

The counting of the deadline here runs as from the day when the sub-letting or the nonpayment is established, on a report drawn up by a council agent and co-signed by the insolvent trader.

The sanctions for daily dues are to the tune of a due in addition to the one regularly due, or the confiscation of the goods until the payment of the corresponding fine.

Articles 87, 88, 89, 90: building or installation permit fees

The Law on local taxation gives specifications on the collection of fees on building or implantation permit.

1) Liability

By building or implantation permit, we mean the authorization that a user solicits from the municipal administrator for a construction or an installation, be it in temporary materials or in permanent materials, simple adjustments or new constructions. The fees subsequent to the planned construction or development, at the headquarters of the council or in the agglomerations, are proportional to the value of the construction.

2) Assessment

For the determination of the value of the construction, or the developments, an estimate should be made, and approved by the municipal technical services. The fees accruing thereto are due from the moment the estimate is approved by the competent service, and payable before the issuance of the requested permit.

The said fees are collected by the city council services for the subdivisional councils and by the councils in towns not having city councils.

Building permit fees to be paid represent 1% of the value of the construction authorized by the technical services of the council.

3) Sanctions

Default of the building or installation permit is liable to a fine of 30% of the fees due paid in favour of the council.

However, the application of the above fine does not exempt the debtor from the payment of the fees normally due.

No other sanction should be applicable, except for the measures provided for by law.

The liability of the abovementioned 30% fine runs as from the day of commencement of the works.

<u>Articles: 91, 92, 93</u>: Temporal occupation of the public thoroughfare fee

1) Scope

By temporal occupation of the public thoroughfare, we mean any installation or use of the public thoroughfare as determined by the act which authorizes it issued by the competent municipal authority. The public thoroughfare or right of way is understood here as a parcel for public use, such as road, easements, roads. This occupation can be materialized by deposits of materials including sand, stones, wood, and display of furniture, goods or any other objects.

Moreover, as from the entry into force of the new law, filling stations, vehicles and advertising media are excluded from the scope of the said fees.

2) Assessment

The collection of the fees for temporary occupation of the public thoroughfare arises from its occupation. The due dates of such fees shall run from the effective occupation of the thoroughfare in question.

The tariff of the fees for temporary occupation of the thoroughfare is voted by the council with the maximum rate of 2,000 francs per m2 per day.

3) Sanctions

The lack of authorization or reduction of the area occupied, delay or default of payment shall entail the application of a penalty of 100% of the amount of duty owed in principal.

In case of unauthorized occupation, fees and subsequent penalties are due as from the first day of effective occupation of the space in question.

<u>Articles 94, 95, 96</u>: Parking fee

1) Liability

The collection of the parking fee can take place in towns and cities where municipalities have made arrangements for parking sites or traffic plan.

2) Method of taxation

The parking fee is collected quarterly by the municipality of the domicile of the carrier at the following maximum rates:

- Bikes: 3,000 francs;
- Taxi: 10,000 francs;
- Bus: 15,000.

Cars or vehicles not specifically covered by law are exempt from paying the parking fee.

The liability of the tax is due on or before the fifteenth day following the beginning of each quarter.

The parking fee is levied against issuance of a parking license, in the model of the windscreen license

Modalities for ordering, security and sale of the parking license are set by a particular text.

Distribution of proceeds of the parking fee:

- City council of the establishment 80%
- Share of FEICOM 20%

The subdivisional councils do not receive the proceeds from the parking tax.

Articles 97 and 98: Parking lot fees

1) Liability

Occupancy fees of parking lots shall be payable by operators of vehicles for the transportation of goods and people such as, trucks, vans and buses only.

However, the institution of the fee is contingent on the existence of a space designated for that purpose by the municipality, the city council or the subdivisional council as appropriate.

2) Assessment

Payment of parking fees is determined by vehicle access to the parking lot.

The maximum rates of the right to occupy the parking lots are set as follows:

- Small Buses and trucks: 1,000 francs per day;
- Big Trucks and buses: 2,000 francs a day.

The parking fee is paid against a receipt.

The methods of controlling, securing and managing receipts from parking fees shall be determined by a particular text.

3) Penalties

Failure to pay fees or parking outside the parking lot, must be evidenced by a statement made by the municipal officer on duty. It entails not only the payment of duties owed in principal, but also the impounding of the vehicle.

Article 99: Platform ticket

1) Liability

The law on local taxation institutes a tax on loading made in a bus station or in a municipal wharf built by the municipality. For this purpose, any vehicle or boat is subject to payment of a platform ticket, once it gets into a bus station or a wharf.

Similarly, any transportation vehicle or any boat that packs even outside the bus station or wharf also remains subject to payment of the said ticket.

2) Assessment

The tariffs fixed should be regarded as maxima. Therefore, the rates actually applied in each municipality are set by the deliberative body, under the conditions and limitations relating thereto.

As a reminder, the maximum rates set by law are:

a) Bus station: 200 francs per load.

b) Wharfs:

- Canoe without an engine: 200 francs per load;
- Engine boats of less than 10 seats: 500 francs per load;
- Engine boats of more than 10 seats: 1,000 francs per load.

The fee is due as soon as the loading is effective, and payable upon boarding of the vehicle or boat to benefit of the council that owns the bus station or the wharf.

The fee is paid against the issuance of a ticket.

The modalities of ordering, security and management of platform tickets are set by a particular text.

3) Sanctions

Failure to pay the platform ticket shall be established by the non-presentation of the ticket, or refusal to pay that fee. It shall entail the payment of a penalty of 100% of the amount due in principal and duties normally owed.

Articles 100 and 101: Tax on spectacles (shows)

The law on local taxation specifies the scope of the tax on spectacles. The latter is levied and collected by the district councils and for their benefit.

1) Liability

The tax on spectacles is payable during all exhilarating events held regularly or occasionally for profit, excluding performances for a charitable purpose. This tax applies particularly to activities in the following institutions:

- Cinemas;
- ballrooms including village halls;
- theatres, concert, exhibition;
- Cabarets, nightclubs, discos;
- Cafés, bars, dancing;
- Video clubs.

To these establishments are added outdoor or open air events.

The shows organized habitually as opposed to occasional performances refer to events that take place regularly, according to a known periodicity, meanwhile the occasionally show occurs spontaneously and irregularly in time.

In addition, charity events should be understood as those organized on a nonprofit basis or freely i.e. that does not result in the realisation of gain or profit.

1) Assessment

The rates for regular performances are set by the municipal council, depending on the type of show, in a range between 10,000 and 100,000 francs per quarter and per establishment.

The type of show is referring specifically to the size of the show given the potential revenue that such shows could generate.

With regard to occasional performances, their price is also fixed by the council in a range between 5,000 and 50,000 francs per day of performance.

The fee is paid to the district municipal tax collector with the aid of a document issued by the competent municipal authorizing officer, against a receipt. It should be noted that the tax on spectacles is paid before the mandatory date for the beginning of the show. Thus, the liability intervenes as from the opening of the show.

2) Sanctions

It is clear that the failure to pay the entertainment tax shall result, as evidenced by the minutes established by the municipal tax collector, in the stopping of the show or the closure of the hall. In this case, removal of seals shall be done only after payment of a fine equal to 100% of the said dues, in addition to the duties owed.

Article 102: Stadium fees

3) Liability

The Law on local taxation gives Municipal Councils the possibility to include in the council budget stadium fees accruing from the entrance fees into stadiums located in their territory.

Liability to the stadium fees concerns sums collected both on public and private stadiums, including sport complexes when a sporting event or profit making event. Accordingly, be they stadiums built and managed by the municipality or not, the stadium fees are due.

Municipal territory should be understood as any town, any neighborhood, any locality or village belonging to the municipal jurisdiction concerned of which access roads, and maintenance and lighting are the responsibility of the municipality.

4) Assessment

On this point, the law on local taxation states that stadium fees are institutionalised by the Council. They are set at 5% of funds collected on the stadiums located on the territory of the council during sporting events or popular festivities, when access to the stadium is not free.

This law specifies that the product of stadium fees is collected by the district councils with the exception of multisport stadiums which fall under the responsibility of city councils.

In any case, it is necessary to always ensure that 5% of the funds raised at events subject to such fees have been recovered at the end of the event, in favour of the district council or the city council as the case may be. The due date of the stadium fees sets in as from the close of the events. The legal debtor is bound to pay the stadium dues at the competent municipal tax collector's office within eight (8) days as from the end of the event.

5) Sanctions

When the duty due is not paid within (8) days from the end of the festivities, there follows the payment of a penalty of 100% of the amount due in principal.

Article 103: The tax on advertising

6) Liability

The law on local taxation sets out the provisions of the tax on advertising that is based on local advertising. The latter includes all publicity carried out within a municipality or a city council.

Shall therefore be liable to the local tax on advertising, any natural person or corporate body that carries out advertising campaigns in a place or area within the territorial jurisdiction of a municipality or a City council.

It should be noted that signs placed on the facades of commercial and industrial establishments with the sole purpose of locating them, are excluded from paying the tax. Therefore, it will be a clear distinction according to whether the sign is accompanied by effect or artifice to draw the attention of customers, like messages and spots, or when it is simply a sign designed to identify and locate the establishment.

Also, there might sometimes be confusion between the stamp on publicity and the tax on advertising, the first is a subregional tax constituting part of a harmonized law, while the second is a municipal tax. Therefore, liability to one does not exclude the payment of the other, the two levies can be operated simultaneously and on the same publicity action given that they fall within a virtually identical scope.

7) Assessment

Rates of the tax on advertising are set within the following limits:

8) **billboards, banners and neon signs:** 1,500 F per m2 per face or angle per year.

b) Vehicles with loudspeakers:

Non-residents: 1,000 F per day per vehicle;

Residents: 30,000 F per year per vehicle.

c) Vehicles without loudspeakers:

Non-residents: 200 F to 500 F per day per vehicle;

Non-residents: 5,000 F 10,000 F per year per vehicle.

d) Sound stores: 500 F per day.

The advertising tax is due at the end of each year when it is permanent or lasts indefinitely. And if advertising is done in a timely manner or for a specified period not exceeding 12 months it is due at the end of the period during which advertisement was carried out.

The person liable for the tax on legal advertising is responsible for implementing the control of advertising, according to the law governing advertising in Cameroon.

9) Sanctions

Any advertising action must first be reported to the municipal magistrate, in order to delimit the period during which it would be carried out. In the event of noncompliance with this measure the fees are due from the 1st day of the year, plus penalties of 100% of the amount due in principal.

Article 104: The communal Stamp Duty

10) Liability

The liability to communal stamp duty concerns the following documents:

- A copy or extract of civil status;
- Legalization or certification of signature or document;
- court ruling;
- proxy;
- suppliers' bills addressed to the municipality;
- Any request submitted to the attention of the municipal magistrate.

As a reminder bills include both the final bills and pro forma invoices.

11) Assessment

Communal stamp duty is set at 200 F in favor of the municipal budget. Besides, any document larger than the basic format (A4) will pay a stamp duty of 400 CFA FRANCS.

Only a single communal stamp is affixed on the documents referred to above.

12) Fines

Failure to pay the communal stamp leads to the non receipt of such documents by the staff of the municipality.

Articles 105 and 106: Road deterioration fee

13) Liability

The law on local taxation has provisions related to the road deterioration fee. It is levied on dealers and other public work contractors performing work on public roads and on users of devices that are not equipped tyres, which work and the movement of these devices deteriorates the road.

Any other deterioration of the road by the release of corrosive chemicals shall subject to the same rate.

Road deterioration should be understood as any limited degradation that leads to an obvious deterioration of the road.

14) Assessment

Tax rates shall be as follows:

- Earthworks, pipes/channeling and other damage:
• highly coated asphalt road: 90,000 F to 200,000 F per m^2;
• asphalt coated road: 45,000 F to 100,000 F per m^2;
• dirt road: 15,000 F to 50,000 F per m2.
- Degradation by tracked vehicles
• asphalt coated road: 50,000 F to 100,000 F per m^2;
• dirt road: 20,000 F to 50,000 F per m^2.

15) Sanctions

When the pipeline, the excavation or movement of vehicles under this section shall be executed without prior municipal approval, the authors are set to pay a penalty of 100% of the principal amount due, without prejudice to the penalties provided by law and regulations. The penalty is based on the surface of the road deteriorated, as established by the written report of the municipal services.

Article 107: The municipal tax transit or transhumance tax

1) Liability

The municipal transit tax is a levy on cattle from a neighbouring country that passes through Cameroon to another neighbouring country.

The transhumance tax for its part is collected when cattle from a neighbouring country comes and pastures for some time on Cameroonian territory.

16) Assessment

The distinction between the two taxes is a function of the duration of the livestock on the territory of the council.

For the transit tax, liability and due dates are represented by the entry of the herd into the municipal territory. The transhumance tax for its part is payable as from the 16th day after the entry of the herd.

Thus, a herd is in transit up to the 15th day following its entry into the municipal area. From the 16th day, it is deemed to be in transhumance. Therefore, payment of the municipal transit tax at a council upon the entry of the herd does not preclude the payment of the transhumance tax to the same council as from the 16th day.

The owner of the herd and any person accompanying the herd are jointly and severally liable for payment of these taxes.

The rates of the transit tax and the transhumance tax are fixed as follows:

- Cattle and horses: 200 to 500 francs per head of cattle and per municipality;
- Sheep and goats: 100 to 300 francs per head of cattle and per municipality.

It should be noted that the revenue collected under the transit tax or transhumance tax is destined integrally to the council concerned and is not subject to equalization.

17) Sanctions

Fraud in the payment of the transit tax or transhumance tax is punishable by a penalty of 100% of principal amount due for each animal concealed.

Articles 108 to 110: Tax on the transportation of quarry products

18) Liability

The law offers the possibility for municipalities that host quarries within their territory to institute a tax on the transport of products of the said quarry.

It applies only to vehicles used to transport products extracted from the quarry, to the exclusion of vehicles used in the exploitation of the said quarry.

19) Method of taxation

The generating event is the effective loading of the products in the quarry.

The maximum rates fixed by law are:

- Vehicle less than 6 tones: 1,000 francs per truck and per trip;
- Vehicles with 6 to 10 tones: 2,000 francs per truck and per trip;
- Vehicles over 10 tones: 3,000 francs per truck and per trip.

The vehicle owner and the transporter are jointly and severally liable for payment of this tax.

20) Sanctions

The nonpayment of the tax for the transportation of quarry products shall lead to the impounding of the vehicle.

Article 111 and Article 112: Fees for the occupation parking lots

21) Liability

The parking lot is a space developed or materialized by a council, a district council or a city council for the parking of all sorts of vehicles.

Parking lots developed by a council, district council or city council for use by government services or the parking lots developed by these administrations themselves are exempted from the payment of the fee on the occupation of parking lots.

22) Assessment

The liability and due date coincide with respect to occupancy of parking lots, and take effect as from the parking of the vehicle. The fees are paid in advance against issuance of a receipt from a secured counterfoil booklet and bearing a face value indicating the hourly tariff.

The tariffs for parking are fixed as follows:

- 100 francs per hour;
- 500 francs a day and per parking;
- 15,000 francs per month and per parking.

23) System

In addition to the principal amount specified above, the nonpayment of parking fees gives rise to a penalty of 1,000 francs for the hourly tariffs, 5,000 francs for the daily tariffs, and 50,000 for the monthly tariffs.

Article 113: The tax on Salvaged products

24) Liability

When products are derived from the exploitation of a parcel of the forest without the primary objective of the exploitation project being the collection of these products, they are called salvaged products.

The tax on salvaged products is based on the products salvaged from noncommunal and non-community forests.

The non-communal and non- community forests are those that are not within the territory of the municipality where the forest at the origin is found.

25) Assessment

The tax on salvaged products is paid by the owner of the recuperated products up to CFA 2,000 F per m3 for the benefit of the council of location. The liability runs as from the moment when the said products cross the border of the municipality concerned. No exemption has been mentioned.

26) Sanctions

When the tax on salvaged products is not paid by the owner of the recovered products after crossing the border of the municipality concerned, there shall follow the immediate seizure of the said products, plus the payment of 100% of duties owed in principal.

PART XI:
PROVISIONS APPLICABLE TO CITY COUNCILSAND DISTRICT COUNCILS

(Articles 114, 115, 116 and 117)

A / The following taxes under article 115 (1) shall exclusively be remitted to the city councils:

- The proceeds from the business license;
- The proceeds from liquor licenses;
- The proceeds from the additional council tax (basic withholding);
- The proceeds from multisport stadiums;
- The proceeds from windscreen licenses;
- The proceeds from the local development tax;
- The proceeds from the tax on advertising;
- The proceeds from dues for the occupation parking lots of the city council;
- The proceeds from the tax on gambling;

- The proceeds from tolls for places on the markets of the city council;
- The proceeds from pounding charges in the city council pound;
- Income from building or implantation permit charges;
- The proceeds from parking fees;
- The proceeds from communal stamp duty.

B / The following taxes under article 115 (2) shall be entirely remitted to the district councils:

- The proceeds from the global tax;
- The proceeds from the municipal tax on livestock;
- The proceeds from forest royalty;
- The proceeds from the tax on the slaughter of livestock;
- The proceeds from dues for space on district council markets;
- Proceeds from dues for temporal occupation of the public thoroughfare;
- The proceeds from on hygiene and sanitation taxes;
- The proceeds from dues on district council parking lot;
- The proceeds from district councils stadium rights;
- The proceeds from the entertainment tax;
- The proceeds from the communal transit or transhumance tax;
- Proceeds from the tax on transportation of quarry products;
- The proceeds from district council pound charges;
- Proceeds from the tax on firearms;
- proceeds from salvage tax;
- proceeds from communal stamp duty.

With regards to the collection of the fees for a place in the markets, the pound charges, parking fees and park fees, the district council and the city council may only benefit from them if they developed these infrastructures.

Regarding the royalty for road degradation, this tax is paid to the City council or the District council following their competence on roads deteriorated. The revenue from communal stamp duty benefits the city councils as well as the district councils.

The district councils collect taxes and dues in strict compliance with their boundaries. In case of conflict, the case goes to arbitration by the competent authority.

PART XII:
INTERMUNICIPAL AND EQUALIZATION TAXES AND DUES

A / Intermunicipal taxes collected by FEICOM (Article 116 (1))

Some quotas of taxes and duties are assigned to FEICOM for the financing of the activities of various councils.

This concerns 20% of the product of:

- Business licenses;
- liquor license;
- Property tax on real estate;
- The rights of property transfer of ownership and use;
- Additional council tax attributable to councils;
- The parking fee.

B / Taxes subject to equalisation (Section 116 (2) and 117)

To ensure the harmonious development of all decentralized local authorities, the product of the following taxes and duties is centralized by FEICOM and redistributed to all municipalities according to the criteria and procedures laid down by statutorily.

These are:

- The additional council taxes;
- The share of annual forestry royalty allocated to the municipalities;
- Windscreen licenses;
- The local development tax due by public sector employees.

City councils do not benefit from the annual forestry royalties.

The product of the windscreen license is entirely centralized and distributed to all councils and city councils, to the exclusion of district councils. The intermunicipal and equalization revenue is levied, collected and controlled by the taxation authorities. Their total allocation is made to FEICOM for centralization and distribution according to the quotas allocated to each entitled entity.

PART XIII: REGIONAL TAXES AND LEVIES

(Articles 118 and 119)

A / Tax revenue allocated to regions

The following taxes dues and levies listed below shall be entirely or partially allocated to the regional authorities :

- Stamp duty on vehicle registration cards;
- Airport stamp duty;
- The axle tax;
- Royalties on forest, wildlife and fisheries resources;
- Royalties on water resources;
- Royalties on oil resources;
- Taxes and royalties on mineral resources;
- The levy on fish stocks and breeding;
- Taxes or royalties on energy resources;
- Taxes and or royalties on tourism resources;
- Taxes and royalties on airspace;
- Taxes and or royalties on resources of the gas sector;
- Royalty on road usage;
- Exploitation rights of institutions classified as hazardous, unhealthy or inconvenient;
- Any other tax, duty or royalty allocated by the State.

B / The tax competence of the regions

For the products of taxes assigned to the regions, listed by the provisions of section 118, the tax authority is the only organ responsible for levying, collecting and controlling them. Accordingly, the regions have no specific tax competence per say.

While waiting for the effective putting in place of the regions, the products or shares of taxes, dues and royalties devolved to them will continue to be assigned to the public Treasury.

PART XIV: TAX PROCEDURES SPECIFIC TO LOCAL TAXES GENERAL PROVISIONS

<u>Articles 120 and 121</u>: Scope of application of procedures specific to Local Taxes

For the implementation of the provisions relating to taxes, duties and dues of decentralized local authorities, the service shall apply the specific rules of procedure provided for each levy. However, in the absence of such procedural details, the provisions of the Book on Tax Procedures of the General Tax Code shall apply automatically.

Collection operations of collecting these local taxes cannot be the subject of concessions to third parties, under pain of nullity. In other words, the prerogatives of tax collection may never be ceded to persons other than officers duly authorized by law to collect such taxes and duties. All existing concessions are null and void.

I - REGISTRATION AND DECLARATION OBLIGATIONS BY TAXPAYERS

Article 122: Obligation of prior registration

In view of the exercise of an activity subject to local taxation, any person or corporate entity is required to submit an application for registration with the taxation office having territorial jurisdiction within the time and manner prescribed by section L1 of the Book on Tax Procedures of the General Tax Code, or at assessment services of the municipality where one is liable only to municipal taxes.

To do this, the services must ensure compliance with this essential procedure prior to the payment of any communal tax.

Article 123: The declarative obligation

For the levying and collection of the various communal taxes, duties and fees, the taxpayers shall submit a return within time limits and forms established by law. The reporting frequency shall thus be determined according to the particularities of each levy, and if necessary, according to the tax system of the taxpayer.

With regard to communal taxes, they are subject to the return filing obligation at the assessment service of the council within the forms and deadlines for each of the said taxes.

In case of the absence of a return within the time prescribed by this law, the taxpayer who is subject to communal taxes is ordered to declare them within the forms and time limits in the of Tax Procedures Manual of the General Tax Code

II - THE ISSUANCE OF LOCAL TAXES (Articles 124, 125, 126)

Local taxes whose proceeds are shared are issued on separate issue slips to the benefit of various beneficiaries. These include:

- Revenue orders for communal taxes;
- Issue slips and recovery notices for communal taxes including property taxon real estate;
- Issue slips and payment orders for the transfer of real estate property rights.

Local taxes, the local development tax and additional council taxes are assessed and issued by the State's taxation services.

It should be noted that the assessment operated by the State Taxation Services is done either on separate issue slips as mentioned above, or if necessary on recovery notices bearing on their letterhead the stamp of the beneficiary local authority or body.

With regard to communal taxes, they are only liquidated and issued by the assessment services of the council.

III - TERMS OF RECOVERY OF LOCAL TAXES

The law on local taxation has made a separation of powers with regard to the collection of local taxes:

- On the one hand, the revenue collected by the taxation services of the State obeys, unless otherwise stated by special provisions, the common law modalities established by the Tax Procedures Manual of the General Tax Code;
- On the other hand, special modalities shall apply when the collection is vested in the municipal revenue collection office.

A - TERMS OF COLLECTION OF TAXES AND FEES ISSUED BY THE STATE TAXATION SERVICES FOR THE BENEFIT OF LOCAL AUTHORITIES

The collection of local taxes of which the competence is devolved to the taxation services of the State is done according to the regulations prescribed by the General Tax Code. Specifically, local taxes assessed and issued by

the tax authorities of the State are paid voluntarily by the taxpayers into the coffers of the competent Revenue Collector, with the exception of the global tax which is paid at the counter of the Municipal tax collector.

These rules apply both in the context of spontaneous payments and in the context of forceful collection.

THE AMICABLE COLLECTION OF LOCAL TAXESBY TAXATION SERVICES OF THE STATE

a) General rules applicable to the collection of communal taxes and duesby the taxation services of the State (Article 1 paragraph 4 and 127)

Taxes collected by the taxation services of the State are in the forms, deadlines and modalities laid down in the provisions of the General Tax Code. Thus, the collection of the business license tax, liquour license, property tax on real estate, tax on gambling and distraction, duties on transfer of property, windscreen license, forestry royalties and local development tax, whose proceeds are transferred to decentralized local authorities, follows the provisions of the Tax Procedures Manual.

These taxes and dues are paid voluntarily to the relevant tax collector who shall issue a receipt in return for payments received, which shall thereafter be remitted to the beneficiaries within a maximum of 72 hours upon seeing the log book and a daily reconciliation statement.

The said taxes and duties may equally be paid by deduction at source made by public accountants during the settlement of invoices paid on the State budget. In this case, they must appear separately on the issue slip established by the assessment services of the competent taxation centre.

b) Modalities specific to the various taxes collected by the Taxation Services of the State

b1- Procedures for the collection of taxes that have been fully or partiallytransferred to councils and to FEICOM (Articles 48, 49 and 50)

The law on local taxation has transferred to municipalities and to FEICOM the entire proceeds of some taxes. These include the land tax, duties on transfer of real estate, the tax on gambling and distraction. This transfer does not in any way affect their collection modalities which remain those provided for by the General Tax Code.

Modalities for the collection of the business license tax and the liquour license

The collection of the business license tax is the exclusive responsibility of the tax administration. In this respect, neither the municipal authorities nor the administrative authorities are empowered to issue certificates related thereto, and even less to collect the revenue related thereto.

The business license tax is paid by taxpayers at the relevant Taxation Centre, either within two (2) months after the start of the fiscal year, in case of renewal of the license, or within two (2) months after the end of the temporary exemption as concerns new businesses.

With regard to interurban transporters of persons and transporters of goods, they shall declare and pay the business license tax within fifteen (15) working days following the end of each quarter.

The business license is issued on separate slips bearing the names and addresses of the beneficiary local councils and bodies.

In other words, a slip should be issued for each body in the following manner:
- A slip for the Audiovisual royalty assessed on the business license tax;
- A slip for the contribution to consular chambers;
- A slip for recovery to the benefit of the relevant Urban Council where it exists or the council for the other localities, representing 80% of the principal of the business license tax;
- A slip for the 20% destined to FEICOM as intermunicipality revenue;
- A slip for the collection of the local development tax.

For enterprises under the Large Taxpayer Department, transfer orders should be established for each beneficiary.

Likewise, with regard to the liquour license which is subjected to the same collection modalities as the business license, the same diligence must be observed in order to comply with the rules prescribed for the collection of the business license tax.

collection of property tax on real estate and duties on the transfer of buildings (Article 48, 49 and 115 paragraph 3)

The law on local taxation provides the remittance of the proceeds of property tax on real estate and duties on the transfer of buildings to the council of location of the building.

The collection should be done on separate issue slips or payment orders addressed in the name of each beneficiary as follows:

80% to the council of location of the building;

20% to FEICOM for intercommunaity.

However, for towns having an urban council, the land tax and duties on the transfer of real estate shall be issued according to the following modalities, defined in Section 115 (3) of the law on local taxation:

60% to the urban council;

20% to the district council of the location of the building;

20% to FEICOM for intercommunaity.

As regards the enterprises having buildings located in different municipalities, separate issue bulletins or payment orders should be established per beneficiary for each of these buildings.

Collection of the tax on gambling and distraction (Section 50)

Up to the entry into force of the law on local taxation, only the additional council surtax of 10% on the tax on gambling and distraction was collected on behalf of municipalities.

Henceforth, the entire tax is allocated to the council where the games are operated. Urban councils refer to localities that have them or the municipalities for other localities.

In any case, a single bulletin is issued for the collection of the full tax to the benefit of the council of the location of the establishment as specified above.

As regards enterprises with establishments in different municipal districts, the proceeds listed above are distributed to all the municipalities concerned.

b2- Modalities for the collection of certain local taxes subjected to equalization Collection and remittance of automobile stamp duty transferred to FEICOM (Section 51)

Up to the enactment of the law on local taxation, revenue from the windscreen license was totally remitted into the coffers of the public Treasury.

Thus, the integral redistribution to the Councils implies that FEICOM shall on no account deduct anything from these revenues.

It is undisputed that the windscreen licenses are inactive securities. Thus the sales realized by the network of accounting stations will be centralized in writing at the level of each Paymaster General then remitted to FEICOM at the end of each month.

Collection and distribution of the communal share of the annual forestry royalty (Section 52)

The allotment and issue of annual forestry royalty are henceforth done as follows:

* **Distribution**

- State 50%
- Village Communities 10%
- Council where the permit is located 20%
- Residue centralized to FEICOM 20%

*** Issue**

- Issue slip No. 1: State 50%
- Issue slip No. 2: village communities 10%
- Issue slip No. 3: council of location of Permit 20%
- Issue slip No. 4: FEICOM (residue centralized) 20%

The centralized residue of the annual forestry royalty is distributed to all municipalities and district councils, excluding urban councils, according to terms laid down by regulation.

It is worth noting that in the case of urban councils, only the District councils are eligible for the Annual Forestry Royalty.

b3- Methods for collecting and remitting the proceeds of additionalcouncil tax (53 - 56)

The proceeds of additional council surtax from personal income tax (PIT), company tax (CT) and Value Added Tax (VAT) and customs duties is distributed and issued as follows:

<u>Additional council Surtax collected by the tax administration</u>

***<u>Distribution</u>**

- Share of the State 10%
- Share of FEICOM 20%
- Share centralized by FEICOM 42%
- Basic Retention for councils and urban councils 28%

***<u>Issue</u>**

- Issue slip No. 1 for the State: Principal of the Tax + 10% of ACS
- Issue slip No. 2 for FEICOM: 62% of ACS
- Issue slip No. 3 for councils and urban councils : 28% of ACS.

<u>Additional council Surtax collected by the customs Administration</u>

*** <u>Distribution</u>**

- Share of the State 10%
- Share of FEICOM 20%
- Share centralized by FEICOM 42%
- Basic withholding for councils and urban councils 28%

*<u>**Liquidation**</u>

For customs units of Douala and yaoundé Sectors

- Assessment slip No. 1 for the State: Principal Tax + 10% ACS
- Assessment slip No. 2 for FEICOM: 90% of ACS
  of which: - FEICOM share 20%
- Centralized share 42%
  - Retained base 28%

For customs units of the other sectors

- Assessment slip No. 1 for the State: Principal Tax + 10% ACS
- Assessment slip No. 2 for the relevant council: 28% of ACS
- Assessment slip No. 3 for FEICOM: 62% of ACS of which:
- FEICOM share 20%
- Centralized residue 42%

Distribution of ACS withheld at source by the State

- Share of the State 10%
- Share of FEICOM 90%

Accordingly, the basic deduction does not exist on the ACS withheld at source

b4- Method of recovery and remittance of the proceeds of the tax on local development (Sections 57-60)

The local development tax is collected in the same manner and conditions applicable to the Personal Income Tax, the global tax and the license fee, as prescribed by the General Tax Code.

The proceeds of the tax on local development is collected simultaneously with the three above mentioned taxes, and is destined primarily to finance basic services and services rendered to the population.

c- Terms of recovery in specialised tax units (Large Taxpayer Departmentand Medium Size Taxpayer centres)

For the collection of business license tax and the liquour license, companies of specialised management units (large Taxpayer Department, Medium-sized Enterprises Taxation Centres) with branches located in different municipalities, must declare their entire business license tax or their liquour license as the case may be in these structures, indicating per branch the turnover and amounts accruing to each beneficiary.

Regarding the property tax on the ownership of buildings, the property transfer duty and the tax on gambling and distraction, companies having buildings or branches in different municipalities must report and pay the totality of the said taxes and fees to these structures, on separate transfer orders specifying the share due to each municipality.

At the Large Taxpayer Department in particular, the payment order shall be issued directly to each beneficiary, against receipt of payment.

In computerised management, the MESURE, TRINITE softwares and others must be reprogrammed at the beginning of each fiscal year to reflect the new distribution schedule fixed by law and the rates approved by the various deliberations of Councils and city Urban Councils.

1 - FORCEFUL RECOVERY PROCEEDINGS OF TAXES COLLECTED BY THE TAXATION SERVICES OF THE STATE (Section 130)

The collection of taxes and duties whose responsibility lies with the taxation authorities of the State are done in accordance with the provisions of the General Tax Code. Where the liable parties do not pay their taxes within the legal time limit, the tax administration is entitled to proceed with recovery in the manner, deadlines and procedures prescribed in Section M.51 to M.80 of the Manual of Tax Procedures.

a) The debt security

Some of these taxes are collected by way of Notice of assessment and others are by means of a collection order.

Hence, the taxation services must ensure, whenever forceful recovery proceedings are engaged in matters of local taxes, that tax debt is recorded and notified by the appropriate debt security, in accordance with the provisions of section M.53 of the Manual of Tax Procedures.

With regard to the registration duty on the property transfer, they must be recovered by a collection order, as prescribed in section M.53 (3) of the MTP, mostly the enforcement seal affixed by the court.

Furthermore, it is worthy to emphasise the need for strict observance of deadlines given to the taxpayer to pay his debt provided by the Manual of Tax Procedures. The fifteen (15) days granted on that basis must necessarily be included in the NTC and the collection order, as well as the additional period of eight (08) days will be mentioned in the formal summons to pay.

b) Implementing forceful recovery proceedings

Within the framework of the implementation of recovery proceedings on local taxes where recovery is the responsibility of the tax administration, compliance with procedures of the Manual of Tax Procedures is mandatory.

After serving the tax liability by NTC or by collection order in the manner prescribed under sections M.53 of the MTP and 411 of the GTC, and a summons demanding payment, unanswered after the time specified in section M.56 of the same Manual, the prosecution proceeding provided under section M.55 et seq. may be considered.

You should ensure that special recovery or common law proceedings must be carried out by sworn recovery agents.

B - MODES OF COLLECTING COUNCIL FEES BY THE COMPETENT COUNCIL AUTHORITY

As regards municipal taxes, the mode of recovery concerns all charges collected by the council, excluding local development tax which is governed by rules applicable to taxes collected by the State Tax Service.

1. VOLUNTARY RECOVERY OF COUNCIL TAXES

a) General Principle

Council taxes are assessed and issued solely by the assessment service of place the location of the property or service rendered and collected by the municipal revenue collector.

In principle, the debt is assessed on an issue slip by the relevant service of the council and paid directly to the municipal revenue collector against a receipt. However, the nature of certain activities and certain taxes can lead to specific terms of collection.

Taxes directly paid at to the cashier of the municipal revenue collector via a collection order are:

- **Slaughter tax** (**Sections 63, 64, 65**): It is directly assessed by the revenue collector and paid by the butcher before any slaughter;

- Tax on livestock (**Sections 66, 67, 68, 69, 70, 71 and 72**): It is paid on or before March 15 each year. It is based on the declaration made by taxpayer to the council of the location of the herd and assessment is directly done by the revenue collector on a collection order.

- The tax on firearms (Sections 73, 74, 75, 76):

It is paid on or before March 15 each year. It is based on taxpayer’s declaration to the council of the location of the firearm and assessed by the revenue collector on a collection order;

- Stadium fee (Section 102): the payment is made against a receipt to the municipal revenue collector.

b) Specific modes of payment:

The issuance of a collection order:

This is a collection writ issued by the Head of the Municipal Executive acknowledging the municipal debt payable directly to the revenue collector. It is used in connection with the recovery of the following:

Impoundment fees (**Sections 78 and 79**): they are collected by the revenue collector upon presentation of a collection order issued by the municipal administrator.

Duty on building permits (**Sections 87, 88, 89, 90**) The recovery of this tax is done by the revenue collector in the light of a collection order issued by the Head of the Municipal Executive.

Entertainment tax (**Sections 100 and 101**) The fee is paid to the municipal revenue collector against issuance of a receipt.

Fees for temporary occupation of the highway (Sections: 91, 92, 93) The Payment is done to the council revenue collector upon presentation of the occupation permit accompanied by a payment order issued by the Head of the municipal executive.

Fees for degrading the roadway (Sections 105 and 106) Tax on pavement degradation is collected by the council revenue collector upon presentation of an authorization and collection order issued by the head of the municipal executive.

Taxes levied against issuance of a receipt drawn from a receipt booklet: This mode of payment consists of issuing a ticket drawn from a receipt booklet upon payment of an amount of tax. The agent responsible for the collection then remits the sum collected to the municipal revenue collector and receives a receipt. The issuance of a ticket from a receipt booklet is the mode of recovery of the following fees:

Fees for market space (Sections 80, 81, 82, 83, 84, 85 and 86): Rents from stores and the proceeds of ticket sales are collected by an intermediary agent who issues a receipt drawn from a booklet and carrying a printed face value equivalent to the duration of the monthly rent or the cost of the ticket.

The total amount collected is paid to the council revenue collector within 24 hours upon presentation of payment order issued by the competent communal authority.

- Motor-park fee (Sections 97 and 98) The fee is paid to council agents assigned to parking lots who issues a council ticket drawn from a receipt booklet carrying the face value of the ticket in relation to the vehicle type. The agent shall remit the revenue collected to the municipal revenue collector.

Dock ticket (Section 99) The fee is paid to the council agent assigned to the motor park or in a municipal pier against a dock ticket drawn from a secured receipt booklet carrying the corresponding face value.

Transit or transhumance tax (Section 107) This tax is levied by the intermediary agent with the assistance of traditional authorities and/or veterinary workers. It is paid against a receipt issued from a receipt booklet duly numbered and signed by the revenue collector of the council. Given the mobile nature of the activity subject to this tax, it can either be paid directly to the coffers of the municipal revenue, or anywhere where the right to charge the tax is established by a council agent, assisted by traditional authorities and/or veterinary workers.

Tax on the transportation of quarry products (Sections 108, 109 and110).

The tax on the transportation of quarry products is collected by an intermediary agent who issues a receipt from a secured receipt booklet carrying a face value indicating the rate voted by the council.

Car parking fee (**Sections 111 and 112)**

The parking fee is paid before any use of the parking lot. It is collected by an intermediary agent who issues a receipt from a secured receipt booklet carrying a face value indicating the hourly, daily or monthly rate voted by the council.

However, payment can be done directly to council agents assigned to parking lots. The revenue collected must be remitted to the municipal revenue collector within 24 hours of collection.

❖ **Tax collected against the deliverance of a stamp or tax disc**

Some council taxes are collected against the deliverance of an adhesive stamp or a tax disc. This is the case with:

- **communal stamp dues** (section 104): it is collected by the municipal revenue collector against the deliverance of a stamp carrying a specific face value. In any case, the deliverance of stamp should be preceded by the payment of the corresponding amount.
- **Parking fee (Section 94, 95, 96**): it is paid against the deliverance of a stamp similar to a tax disc within a 15 days dateline following the beginning every annual quarter.

2. INSTITUTION OF FORCEFUL RECOVERY PROCEEDING IN MATTERS OF COUNCIL TAXES

As far as the forceful recovery proceedings on council tax is concerned, if the tax payer does not respond to the recovery notice within 15 days following reception, the revenue collector can proceed to forceful recovery. He therefore notifies the defaulter by way of a warning representing an order to pay in eight days. Failure to respond within the mentioned deadline will lead to the seizure of the taxpayers' goods.

With effect from the date of seizure, the maintenance, conservation of the goods as well as the feeding of seized livestock is at the expense of the defaulting taxpayer.

The municipal revenue collector draws up a report of proceedings which he submits to the mayor for approval. After a thirty (30) day deadline following the seizure, the revenue collector will proceed to an auction sale of the seized property or livestock.

In this light, the goods, properties or livestock of the defaulting taxpayer are seized by the sworn council agents. At the end of such an operation, they shall make a report on all seizures, specifying the nature of the seized goods, the quantity as well as their state.

The sale of the goods is carried out by sworn recovery agents in the manner prescribe for judicial sales. Proceeds from the sale are handed over within no specified deadline as payment of the defaulting taxpayer tax debt. The revenue collector then establishes a receipt in the taxpayer's name, deductsany potential expenses from the sale surplus and hands the balance, if any to the taxpayer. When the proceeds of the sale are enough to pay-off the tax payers debt and subsequent sale expenses, the sale ends. If the seized property is in excess, the extra property is refunded to the taxpayer. At the end of the sale of the seized goods, the revenue collector draws up a sale statement, describing the sale, the expenditures involved and any eventual balance to be refunded to the debtor as well as the goods on which he still has ownership.

In the exercise of their duties, sworn recovery agents are protected as public argents in accordance to provisions of the penal code.

PART XV:
AUDITING LOCAL TAXES (Sections 132 to 134)

Section 132: Audit Proceedings

The audit of municipal taxes may be exercised either by council staff or by staff of the relevant taxation services, or together.

In the latter case, mixed teams shall be constituted to perform audit operations in the field.

For the purposes of this collaboration, the Head of the Council Executive and Head of Taxation Office of the said municipality shall jointly determine the terms and conditions.

This collaboration aims to avoid duplication, excessive presence of the administration in the taxpayer's premises and to work in unison. As such, the taxation services of the State must be informed of any controls programmed by the council and vice versa.

Section 133: The terms and conditions of the control of municipal taxesand the local development tax

Control proceedings on municipal taxes and local development tax are conducted according to rules and procedures provided for the control of the taxes of the State. These taxes are controlled by the service tax authorities.

Besides field audits, the taxation services of the state also ensure desk audits of such taxes under the same conditions as for State taxes

Section 134: The responsibilities of the municipal staff in controlproceedings

Under penalty of nullity, council staff must undertake control proceedings of municipal taxes in the field bearing a mission warrant duly signed by the head of the municipal executive.

It should be noted that all control proceedings on recovery is the sole responsibility of municipal revenue collector.

The council staff from at the outset of the inspection, identify themselves and present their mission warrant to the assesses.

The absence of such authorization shall lead to the nullity of the proceedings, it is therefore essential to ensure before beginning any controls that such documents exist and are in order.

Any council agent not bearing such mandate is subject to legal action under common law and to disciplinary sanctions.

PART XVI:
LIMITATION PERIOD IN MATTERS OF LOCAL TAXES

Section 135: Limitation period on local taxes

a) Foreclosure to the benefit of the taxpayer:

The law on local taxation establishes a limitation period for fees due in respect of municipal taxes. The limitation period depends on whether the duty is in favour of the taxpayer or the administration.

Thus, when a taxpayer fails to pay a municipal tax in two years (2) after the due date of the claim, the administration cannot take any action against him to claim such debt.

These limitation periods do not apply on the local development tax and local taxes which remain prescribed to the benefit of the taxpayer after a period of four (04) years.

However, this forclosure is certain to his benefit only if, during this period, no proceedings were engaged against him by the services in charge of assessment, issue, control or recovery.

b) Foreclosure in favour of the administration:

As regards the time limit allowed to the taxpayer to claim the refund of amounts paid incorrectly in matters of municipal taxes, it is 01 (one) year from the date the payment was made. If this period has elapsed without the taxpayer submitted an application for refund with the council or the relevant service, it is foreclosed.

PART XVII:
LITIGATION OF LOCAL TAXES

I - THE CONTENTIOUS LITIGATION

Section 136: Litigation relating to local taxes

The law on local taxation distinguishes the litigation taxes whose assessment, issue and collection are the responsibility of the tax administration and taxes collected directly by municipalities.

Regarding the litigation on local taxes falling under the responsibility of the tax administration, the law refers to the procedures of the Manual of Tax Procedures (LPF) of the Tax Code, unless otherwise specified.

Thus, as concerns litigation relating to business license, liquour license, the property tax and other taxes whose assessment is the responsibility of the Directorate General of Taxation, the litigation must be brought before the competent authorities designated in Sections M.116 et seq. of the MTP i.e., the Head of Regional Taxation Centre or the Head of the Large Taxpayer Department.

Likewise, the procedure for processing and appealing against the decision of the petitioned authorities, as well as to the relevant courts, are those provided by the MTP. The same goes for the instances competent to hear claims in tax matters. Thus, for example, with regard to disputes relating to property tax

and registration fees on leases, whose proceeds are transferred to councils, they continue to be brought before the courts.

Sections 137 to 140: class action litigation in municipal taxes

a) Disputed claims before administrative authorities

The law on local taxation brings important innovations as concerns disputes on municipal taxes. Until now, there were no provisions governing the procedure for appealing such charges.

These taxes remain the responsibility of councils as concerns their assessment, issue, recovery and control, subject to the responsibilities of the taxation services of the State on the latter. Disputes on the said taxes accordingly falls within the competence of Councils. Thus, whenever a dispute on such taxes is submitted by error to the Tax Administration, it should be transmitted to the relevant council authority.

On the contrary, the opinion of the tax administration may be required by the Magistrate on a question relating to a municipal tax.

The request should be processed by the service charged with the management of the taxpayer and the opinion signed by the Head of Regional Taxation Centre or the Head of the Large Taxpayer Department. Clearly, in terms of companies covered by the departmental centers, divisional centers, shopping centers and specialty taxes for medium enterprises, the notice shall be signed by the Head of Regional Centre. However, for enterprises belonging to divisional and specialized and medium size taxation centers, the opinion must be signed by the Heads of Regional Center. However, the Regional Chief of Taxation may delegate his signature to the Heads of Divisional Taxation Centers whose remoteness would be detrimental to the expeditious processing of the request to be transmitted to the Senior Divisional Officer.

It is therefore strongly recommended to pay particular attention to the rapid processing of requests for advice, no delay in resolving disputes on municipal taxes should be blamed on the taxation services. A quarterly report on the treatment of requests for advice or opinion must be submitted by all Heads of Regional Taxation Centres to the Director General of Taxation. This report should include the nature of the questions, the content of opinions issued, and the average duration of treatment of cases investigated.

In case of difficulty on the response to be transmitted to the Senior Divisional Officer, this should be brought to the attention of the Director General of Taxation, the heads of taxation centre must always acknowledge receipt of correspondence by indicating to the administrative authority that issue needs to firstly be brought to the arbitration of the hierarchy.

Taxation services must provide at all times and whenever they are requested, assistance to municipal authorities in follow-up of disputes in matters of municipal taxes, notably through technical support from their supervisors. This collaboration should be made both in the administrative stage in the judicial phase of litigation, especially in the form of technical advice.

Moreover, the tax administration may be directly called up in the course of disputes bearing on municipal taxes, since the administration may have participated in a control which gave rise to the disputed tax. In this case, the service competent for the followup of the procedure is the Litigation Service of the relevant Regional Taxation Centre or the Large Taxpayer Department, in connection with the service involved in the assessment of the tax.

a) Disputes before the courts competent to hear matter on municipal taxes

Where a dispute regarding local taxes is brought before the judge, the representative of the local authority that issued the charges in question may request the tax authorities to collaborate with him in follow-up of the proceedings, particularly in terms technical advice.

Whenever such action is undertaken by municipal authorities, the Head of the regional taxation centre of the municipality must take all steps to provide such support. However, keep in mind that the answering disputes on municipal taxes should remain the responsibility of the local authority.

Thus, officials of the tax administration should under no circumstances sign a procedural document before the courts in the course of litigation relating to such taxes.

II - VOLUNTARY JURIDICTION (Sections 141 to 143)

The law grants the Chief Executive, the exclusive powers to grant remissions, mitigations, relief on municipal taxes.

However, the latter may request information from taxation centre of such taxpayer concerning the taxpayer’s tax situation to ensure that there is reasonable cause or real difficulties in meeting his tax obligations.

Similarly, where an application is addressed to the tax administration by error, it must be transmitted to the relevant municipal authority and notify the applicant of such diligence.

In any event, the taxation services of the State should in no circumstance replace the municipal authority in respect of voluntary jurisdiction.

PART XVIII:
THE SANCTIONS REGIME (Section 144)

The law on local taxes specifies for each municipal tax the specific penalties, the competence in this field are the sole responsibility of the municipal authority.

Regarding local taxes under tax services, the corresponding penalties are those provided by the Tax Code.

PART XIX:
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Sections 145 and 146: On the organization of cadastral surveys

The law on local taxation prescribed cadastral surveys which relate to parcels and buildings, their occupants and activities carried out within.

The survey is to collect every five years information likely to to have tax implications on buildings and undeveloped located in a municipality, their owners and occupants, the nature of the activities performed therein, and any other information relevant to the assessment of taxes and duties.

As a reminder, this survey is implemented for the creation of a file and a Geographic Information System (GIS) operated by taxation services and communal services.

Also, all documents obtained through such surveys should be fully exploited for the assessment of local taxes and duties. The information collected must be forwarded to the Directorate General of Taxation for centralization in the data of the Brigade of tax investigations.

In the course of these investigations, the taxation services of the State are empowered to request and obtain copies of deeds, building permits, business license certificates, liquour license and global tax, proof of payment of the property tax and deed of conveyance, namely deed of transfer of ownership or transfer of possession of controlled buildings.

It is therefore necessary to ensure any documents not listed in Section 145 (3) of the law on local taxes is not demanded from the taxpayer. In any event, the cadastral survey shall not give rise to an examination of the accounts of individuals on whom it is exercised.

In case of obstruction to the exercise of cadastral surveys, a report must be compiled by the taxation services which, on such instances, should not use the powers granted under other procedures, such as tax audits, and likely to invalidate the cadastral survey procedure.

Similarly, the survey form must be cosigned by the agents who conducted the survey and the taxpayer. The refusal of the latter to sign should be mentioned in the margin of the said sheet if necessary.

The cadastral survey giving rise to notices of adjustments, this means ensuring that you are in the presence of taxes whose assessment and collection are the responsibility of the tax administration and that the deadlines and procedures in terms of audits defined in the GTC are respected.

Moreover, the law on local taxation has instituted a census which must take place within three months preceding the start of the fiscal year to update the file created as part of cadastral surveys. The heads of taxation centres must prepare these censuses by identifying in advance the likely changes in the status of taxpayers in their jurisdiction.

<u>Section 147</u>: The distribution of tax revenue from the equalization by FEICOM

FEICOM is responsible for the centralization and distribution of equalization revenue to local authorities.

Consequently, the issue slip addressed in the name of this body should highlight distinctively the share attributed to the different beneficiaries.

<u>Section 148</u> : Transposition of the provisions of the Law on local taxation in the General Tax code

The Law on local taxation as soon as it was enacted was inserted in the General Tax Code of which it henceforth constitutes the third book. Its provisions form an integral part and thus carry the same value as the existing provisions in the said code.

Any subsequent difficulties inherent to the interpretation and to the application of the provisions of this circular should be brought to the attention of the taxation authorities who would provide appropriate solutions thereto.

We attach much importance to the respect of the provisions of this circular.

The Minister of State, Minister of Territorial Administration and Decentralization

(ed) MARAFA HAMIDOU YAYA

The Minister of Finance

(ed) LAZARE ESSIMI MENYE

APPENDIX I:
List of liberal professions subject to withholding of the income tax installment at a rate of 5.5%

1. Lawyers
2. Bailiffs
3. Notaries
4. Court administrators
5. Judicial Agents
6. Solicitorandenforcement agents
7. Engineering offices
8. Architects
9. Urban planners
10. Engineers
11. Land surveyors
12. Surveyors
13. Tax Consultants
14. Chattered Accountants
15. Clearing Agents
16. Forwarding Agents
17. Auctioneers
18. Loss Adjusters
19. Automative Experts
20. Land forestry and agricultural experts
21. Doctors
22. Pharmacist
23. Dental Surgeons
24. Opticians
25. Psychologists
26. Nurses
27. Mid-wifes
28. Medico-SanitaryTechnicians
29. Veterinarians
30. Dietitians
31. Masseur-Kinesiologists
32. Psychomotor Specialist
33. Pedicure-Podiatrist
34. Representatives of laboratories and medical delegates
35. Research laboratories
36. Insurance Agents
37. Media houses
38. Communication Agencies and advertising network
39. Translators and interpreters
40. Evangelists
41. Actuaries ;
42. Sworn Investigating Officers ;
43. Computer programmers ;
44. Animators ;
45. IT Assistants ;
46. School assistants ;
47. Technical Assistants ;
48. Press Officers ;
49. Auditors and consultants.

CIRCULAR N° 04 /MINFI/DGI/LRI/L OF 20 FEBRUARY 2023 OUTLINING THE APPLICATION MODALITIES OF LAW N° 2022/020 OF 27 OF DECEMBER 2022 ON THE FINANCE LAW OF THE REPUBLIC OF CAMEROON FOR THE 2023 FISCAL YEAR

The Director-General of Taxation
A

- The Head of the Internal Audit Service;
- Directors and persons ranking as such;
- Heads of Regional Tax Offices;
- Sub Directors and persons ranking as such;
- Service Heads and persons ranking as such.

This circular spells out detailed rules for the application of the new tax provisions contained in law N° 2022/020 of 27 December 2022 bearing the finance law of the Republic of Cameroon for the 2023 fiscal year and provides useful guidelines and requirements for their effective implementation.

These measures, which aim to revive the economic activity that has been severely impacted by the health crisis of Covid-19 concern :

- The Company Tax (CT) and the Personal Income Tax (PIT);
- Tax incentive measures;
- The Value Added Tax (VAT) and Excise duties;
- Specific taxes;
- Registration and stamp duties;
- Tax procedures.

PROVISIONS RELATING TO THE COMPANY INCOME TAX (CIT) AND THE PERSONAL INCOME TAX

○ **Section 7 C.- Increase in the tax deduction rate for damages and breakages incurred by companies operating in the brewing sector**

1. Since the 2021 Finance Law, the tax deduction of losses relating to damages and breakages that occur specifically in the brewing sector is no longer subject to prior assessment by a tax official, as provided for in section L8 ter of the Manual of Tax Procedures. Losses relating to damage and breakage in this sector were automatically deducted at a flat rate of 0.5% of the total volume of production.

2. With the entry into force of the 2023 Finance Law, the tax deduction rate for such losses in the brewing sector has been increased from 0.5% to 1% of the total volume of production.

3. The other rules governing the application of the tax deduction regime for damages and breakages incurred by the brewing sector remain those provided for by Circular N° 011/MINFI/DGI/LRI/L of 5 March 2021 specifying the application modalities of the tax provisions of Law N° 2020/018 of 17 December 2020 to lay down the Finance Law of the Republic of Cameroon for the fiscal year 2021.

4. The new flat rate of 1% shall apply to the results of the 2023 fiscal year to be reported by 15 March 2024. Consequently, damages incurred during the financial year 2022, used to determine the results of this fiscal year to be declared by 15 March 2023, shall be deductible within the limit of the 0.5% rate.

o **<u>Section 17 a</u>.- Three points reduction in the company tax rate for Small and Medium Size companies (SMEs)**

5. Since the 2021 Finance Law, taxpayers with an annual turnover, excluding taxes, equal to or less than FCFA three (03) billion are entitled to a reduced corporate rate income tax set at 28%, i.e. 30.8% additional council tax (ACT) included.

6. A corporate income tax rate of 25% plus 10% for the ACT will henceforth be applied to taxpayers with an annual turnover equal to or below FCFA three (03) billion, which is 27.5%.

a. <u>Eligibility criteria</u>

7. The 25% company income tax rate applies exclusively to taxpayers with an annual turnover, excluding taxes, equal to or less than CFAF three (03) billion and who are registered in the tax index of either a divisional tax office, a medium-sized taxpayers' office or a specialized tax office.

8. The turnover to be considered is that of the fiscal year. Consequently, when at the end of a fiscal year N, a taxpayer hitherto subject to the rate of 25% realises a turnover of more than FCFA three (03) billion, the said taxpayer is transferred at the initiative of the services or on its initiative, to the appropriate management structure (LTO). In such cases, the company income tax for the given fiscal year shall be calculated at the rate of 33%, additional council tax included.

b. <u>Application guidelines</u>

9. The application of the 25% reduced income tax rate is not subject to written consent from the tax authorities. However, under the provisions of the Manual of Tax Procedures (MTP), the latter reserves the right to conduct additional audits to guarantee that taxpayers are eligible for this rate.

10. As a result, if it is determined at the close of an audit procedure that the effective turnover of a fiscal year is above FCFA three (03) billion, even though the reduced rate of IS of 25% was applied, the additional CIT due shall be recalled the standard 30% rate.

11. The application of the reduced rate of 25% does not rule out the benefit of reductions provided for by other derogatory schemes, notably the scheme for the promotion of approved management centres and the incentive schemes of the law of 18 April 2013 to lay down incentives for private investment in the Republic of Cameroon.

12. Taxpayers eligible for the reduced rate of 25% remain liable to the advance income tax and the minimum tax collection at the rates in force, under the provisions of sections 21, 22, 69 (2), 89 and 91 of the General Tax Code.

c. <u>Miscellaneous and transitional provisions</u>

13. The 25% income tax rate applies to the fiscal year ending December 31, 2022, for which declarations must be submitted no later than March 15, 2023.

o **<u>Section 18</u>.- Consecration of the obligation to append the Employee Information Document (DIPE) to the Statistical and Tax Return (STR)**

14. The procedures for reporting the Employee Personnel Information Document (DIPE) to the tax authorities have been modified by the 2023 finance law.

a. <u>The new filing modalities of the DIPE</u>

15. Until 31 December 2022, the DIPE was filed manually or by electronic means by employers. As of 1 January 2023, the DIPE is now attached to the Statistical and Tax Return and therefore filed electronically through the tax administration's computer system.

16. Henceforth the DIPE shall be filed annually and not monthly.

17. These changes do not impact the filing obligations regarding social security contributions.

b. The deadline and format for filing the DIPE

18. The DIPE is filed in the computer system of the tax administration no later than March 15 of each year. It is appended to the Statistical and Tax Returns.

19. The DIPE is submitted based on the model defined in appendix 1 of this circular. It includes amongst others, the following information:

- the name or company name of the employer as well as its tax identification number (TIN);
- the employee's name and TIN;
- the amount of remuneration paid to the employee;
- the amount of personal income tax withheld at source by the employer.

c. Rules for the application of penalties

20. Failure to file the DIPE within the above time limit, after a formal notice has remained unanswered for a period of fifteen (15) days, or the communication of inaccurate or incomplete information, shall result in the taxpayer being liable to the penalties provided for in section M 104 of the General Tax Code, i.e. the application of a lump-sum fine of up to CFA F five million (5,000,000).

d. Miscellaneous and transitional provisions

21. The new reporting requirements for the DIPE apply to earnings accrued over the 2022 fiscal year. The DIPE must be attached to the STR for the 2022 fiscal year, to be filed by 15 March 2023.

- **Section 21 (1).- Adjustment of the methods for determining the advance income tax (AIT) for certain sectors of activity**

22. To meet the needs of certain specific sectors of activity and in the interest of promoting local production, the 2023 Finance Law has extended :

- the 50% allowance based on an assessment of the advance income tax to companies producing pharmaceutical products and fertilisers (a) ;
- the preferential regime of the advance income tax on the gross margin to fertiliser distribution companies (b).

a. Extension of the 50% allowance on the AIT base to the pharmaceutical and fertiliser production sectors

23. Since its institution by the 2016 finance law, the 50% allowance on the AIT assessment base applied only to production companies in the flour milling sector.

24. The 2023 Finance Law extends this allowance to companies producing fertilisers and pharmaceutical products.

- Pharmaceutical production companies are understood to be those that carry out local manufacturing operations for medicines. These companies must in any case be approved by the competent ministries, in particular those responsible for public health and industry.

Companies whose activity is limited solely to the packaging of imported pharmaceutical products are thus excluded from the benefit of this favourable regime.

- Fertiliser production companies refer to those which, in the application of the provisions of Article 2 of Law No. 2003/007 of 10 July 2003 governing the activities of the fertiliser sub-sector in Cameroon, manufacture *"any substance or material containing one or more plant nutrients recognised and used as such to promote the growth and production of plants"*.

For the implementation of this provision, it is not required that the entire manufacturing process be carried out on Cameroonian territory.

25. Therefore, companies that simply sell pharmaceutical products or fertilisers cannot be regarded as producers of these products. However, the latter are eligible, as distributors, for the preferential advance payment scheme.

26. In the case of mixed activities (activities eligible for the allowance and those not eligible), the 50% allowance on the basis for calculating the advance income tax is applied to the share of the turnover attributable to the production of pharmaceutical products and fertilisers.

27. The minimum tax rate for production companies in the flour milling, pharmaceutical and fertiliser sectors is also obtained by applying the 50% allowance to their turnover.

b. Extension of the preferential regime of the advance income tax on the gross margin to fertiliser distribution companies

28. Hitherto limited to distributors of pharmaceutical, petroleum, gas, flour and press products, the advance income tax scheme on the gross margin has now been extended to fertiliser distributors.

29. A Fertiliser distributor shall be deemed to be any person who purchases fertilisers from a producer or importer in the bid to resell them.

30. It should be recalled that the taxable amount of the advance income tax and the advance income tax on purchases of taxpayers in the sectors with an administered margin remains the gross margin.

31. Except for the petroleum and gas sectors, the gross margin is understood to be the difference between the selling price and the cost price, increased by gratuities and commissions of any kind.

32. A 14% rate is applied to the gross margin thus determined. This rate is increased by 10% for the ACT.

33. For the implementation of this provision, the distributor is required to declare to the manufacturer, with a copy to the relevant tax centre, no later than the 30th of January of each tax year, his/her gross margin rate.

34. Taxpayers belonging to sectors with an administered margin under the tax legislation may, however, opt for the ordinary law system where this is more favourable to them. In this case, the advance income tax shall be calculated at the rate of 2.2% applied to the turnover.

35. A taxpayer in the administered margin sectors wishing to opt for the more favourable ordinary law system must inform his tax centre by letter by 31 January at the latest.

c. Miscellaneous and transitional provisions

36. For reminder purposes, the withholding tax applicable to the purchases of fertiliser distributors is calculated at the rate of 14% on the gross margin.

37. The new methods for determining the basis of assessment of the advance income tax and the minimum tax detailed above shall apply as of 1 January 2023. In this respect, the minimum tax due for the financial year 2022 and paid at the latest on 15 March 2023 shall be settled under the legislation in force in 2022.

○ **Section 21 (3).- Clarification of the advance income tax on purchases applicable to importers and industrialists**

38. As part of the rationalisation of the withholding tax on purchases (PSA), the 2022 Finance Law generalised this levy to all purchases made from industrialists, importers and forestry operators, thereby abolishing the cascade collection method previously in force, as well as the principle of its application only to purchases made by traders.

39. The 2023 Finance Law introduces changes to the modalities of application of this levy firstly to importers operating in the retail sector (a), then to industrialists (b) and finally to non-profit organisations (NPOs) (c)

a. Concerning the withholding tax on purchases applicable to importers

✓ **Principle**

40. Under the 2022 Finance Law, the withholding tax is levied on all purchases from importers, regardless of the status of the buyer.

✓ **Adjustments**

41. With the entry into force of the 2023 Finance Law, retail purchases made from importer distributors are exempt from the withholding tax on purchases. It follows that wholesale purchases made from importer-distributors by non-professionals are deemed to have been made for resale purposes and are therefore liable to withholding tax at the rate of 10%.

42. For this arrangement, the following shall be understood as defined in section 4 of Law No. 2015/018 of 21 December 2015 governing commercial activity in Cameroon:

- ***Importer-distributor*** means any individual or corporate entity engaged in the business of importing goods for resale without further processing, either wholesale or retail.
- ***Retail sale (trade)*** refers to any distribution activity aimed at final consumers, involving several goods equal to one or more usual units of measurement of the product. For this measure, consumers may be both natural and legal persons.
- ***Wholesale (trade)*** means any distribution activity aimed at retailers, which involves several goods in original packaging, or repackaged, greater than the usual unit of measurement.

Retail thus differs from wholesale transactions in that it is specifically geared towards selling to the public. The retailer sells goods directly to the end user (the consumer) for personal use.

43. Frontline service shall see to it that a distinction is made between wholesale transactions (subject to withholding tax) and retail transactions (exempt from withholding tax). In this regard, it should be noted that under the provisions of section 21 of the law governing commercial activity in Cameroon referred to above, traders who carry out both wholesale and retail sales are required to make a distinction between wholesale and retail shops. Similarly, they must keep separate accounts for these operations. Therefore, failure to comply with these requirements leads to the application of the withholding tax on all sales.

44. In any event, the conditions of sale (wholesale price, retail price, trade discounts, etc.) may also constitute a criterion for assessment.

b. <u>Concerning the withholding tax applicable to purchases from industrialists</u>

45. Since the 2022 Finance Law, the withholding tax is compulsorily levied on all sales made by industrialists, producers, importers and forestry operators, regardless of the status of their customers, whether or not they are traders.

46. With the entry into force of the 2023 Finance Law, purchases made directly from industrialists by non-professional taxpayers are, in the same way as wholesale purchases from importer-distributors, deemed to be made for resale purposes, and therefore liable to withholding tax at the rate of 10%.

47. In the implementation of this measure, non-professional taxpayers are to be understood as those who do not fall under one of the following tax regimes: the real regime, the simplified regime, the NPO regime or the discharge tax.

c. <u>Concerning the withholding tax applicable to purchases made by NPOs</u>

48. As an exception to the rule that the withholding tax applies to all purchases from industrialists, importers and loggers, the 2023 Finance Law excludes NPOs from the scope of this levy.

49. Consequently, purchases made by the said organisations do not give rise to a withholding tax, even if they carry out a commercial activity on an ancillary basis.

50. This exemption is subject to the presentation to the supplier of a valid tax clearance certificate justifying that the taxpayer is registered to the NPO regime.

51. Frontline services will be required to ensure during audit operations that this exemption is applied exclusively to entities that can prove their NPO status.

52. This measure applies to operations carried out as of 1 January 2023, for which the declarations are due by 15 February 2023 at the latest.

- **Section 70.- Increase from 15% to 30% of the capital gains tax on income paid to tax havens**

53. The 2023 Finance Law introduces a new rate for the calculation of the capital gains tax (IRCM).

54. This rate, set at 30%, applies to income from movable capital paid to any individual or legal entity domiciled or established in a territory or state considered a tax haven. It is increased by 10% for ACTs.

55. This measure concerns the income listed by the provisions of articles 35 and 36 of the CGI, in particular: the proceeds of shares, capital shares and similar income; income from bonds; income from debts, deposits, guarantees and current accounts; gains realised on the occasion of the sale of shares, bonds and other capital shares.

56. For reminder purposes, for the application of the 30% rate, a State or territory is considered a tax haven, per the provisions of article 8 ter paragraph 3 of the General Tax Code:

- whose income tax rate for individuals or legal entities is less than one-third of the ordinary law rate applicable to the paying party. In this respect, any country or jurisdiction with a corporate income tax rate of less than 10% and a personal income tax rate of 11.66% is considered a tax haven based on the tax rate criterion;
- considered as non-cooperative in terms of transparency and exchange of information for tax purposes by international financial organisations. The services will refer in this respect to the list published by the OECD Global Forum of which Cameroon is a member.

57. To determine the capital gains tax rate applicable to payments of interest, dividends, income or other products of securities, the legal debtors shall henceforth require the beneficiaries of the said sums to provide proof of their identity, the indication of their real domicile as well as their tax identification number, under section 78 of the GTC.

58. The new rate of 30% applies to all income from capital gains due as of 1 January 2023.

- **Section 91.- Extension of the preferential gross margin regime to taxpayers under the simplified tax regime.**

59. Until 31 December 2022, the preferential regime of the advance income tax on the gross margin for companies in sectors with an administered margin was limited to companies covered by the actual regime, excluding those covered by the simplified regime, even though the latter carries out operations eligible for this regime.

60. By amending the provisions of Article 91 of the CGI, the legislator extends the benefit of the preferential gross margin scheme to taxpayers under the simplified scheme.

61. It remains understood that taxpayers under the simplified scheme may, in the same way as those under the actual scheme, opt for the common law scheme when it is more favourable to them. In this case, the advance payment is settled at the rate of 5.5% applied to the turnover for taxpayers under the simplified scheme, and 2.2% applied to the turnover for those under the actual scheme.

62. Similarly, when the taxpayer carries out mixed activities (activities with a free margin and activities with an administered margin), the ordinary law advance payment system applies to the share of turnover relating to the activity with a free margin.

63. This measure shall apply to transactions carried out as of 1 January 2023.

- **Section 93 quater.- New modalities of attaching certain new taxpayers to the actual system of assessment**

64. Since the overhaul of the tax regimes under the 2012 Finance Law, turnover has become the main criterion for classifying taxpayers in different tax regimes.

65. Thus, only taxpayers with an annual turnover equal to or higher than FCFA 50 million are classified under the actual tax regime, which makes them liable to VAT, allowing them to invoice and deduct the said tax.

66. With the 2023 Finance Law, the following taxpayers are automatically included in the actual system, regardless of their turnover:

- *New taxpayers in the oil, mining, gas, credit, microfinance, insurance and mobile phone sectors*. It is recalled that these companies are automatically attached to the Large taxpayers Office, per the terms of circular N^0 06/MINFI/DGI/DER of 28 April 2014 specifying the criteria for attaching companies to the management units of the DGT
- *New taxpayers who justify an approval to one of the schemes of Law N^0 2013/004 of 18 April 2013 to lay down incentives for private investment in the Republic of Cameroon*. The latter are automatically attached to the competent medium-sized taxpayers' office.
- *Holders of notarial offices*. The latter must henceforth be attached to the real regime and be under the authority of the CIMES when they are established in tax regions that do not have specialised tax centres in charge of the liberal professions.

67. The Division in charge of registration shall undertake, before 31 March 2023, the necessary steps for the systematic attachment to the real regime and the transfer to the competent tax management units of the holders of notarial offices and the above-mentioned new enterprises when they register. Likewise, existing businesses in the above categories are transferred to the competent management units at the discretion of the DSSI.

- MODIFICATIONS ON TAX INCENTIVES

- **Section 119 bis.- Institution of the Integrated Tax Partnership (ITP) scheme**

68. Established administratively since 2021 as one of the instruments to promote the migration of economic agents from the informal to the formal sector and to optimise the performance of the under-taxed branches of our economy, the ITP scheme is now enshrined in law through the 2023 Finance Law.

a. The Integrated tax partnership notion

69. The Integrated Tax Partnership is a platform for collaboration and mutual assistance between the tax administration and taxpayers. It aims to promote tax compliance through a renewed approach to dialogue, support and facilitation of tax obligations.

b. The procedure for setting up an Integrated Tax Partnership (ITP)

- **Criteria for eligibility**

70. The ITP is open to any association of taxpayers from all sectors of the economy.

71. In this regard, the association must have a minimum level of internal organisation and legal recognition.

- **The signing of the partnership agreement**

72. The Integrated Tax Partnership is materialised by a memorandum of understanding signed between the tax administration (the Head of the Regional Tax Centre with territorial jurisdiction) and the taxpayer group.

73. A model partnership agreement is attached to this circular.

74. The initiative for concluding an Integrated Tax Partnership protocol lies with either the taxpayers or the administration:

- **<u>when the initiative stems from the taxpayers</u>**, they are obliged :

▪ firstly, to form an association, and then to appoint a representative with credibility, an established reputation in the sector and a mastery of both the players and the functioning of the organisation;

▪ secondly, to send a letter to the Head of the competent Regional Tax Office to request the signing of the said partnership agreement.

- **<u>when the initiative stems from the administration</u>**, the Head of the competent Regional Tax Office is responsible for identifying the sectors deemed eligible, and for entering into talks with the representatives of the latter.

c. <u>The obligations of the various parties</u>

75. The Integrated Tax Partnership provides for obligations for each of the parties.

- **The obligations of the tax administration**

76. Under an Integrated Tax Partnership, the tax administration undertakes to provide taxpayers in the sector with the following facilities

▪ exemption from tax audits for the period not time-barred from the date of their accession;

▪ the granting of penalty remissions and preferential payment moratoria;

▪ the provision of all updated legislative and regulatory texts and all publications useful for the fulfilment of tax obligations;

▪ the establishment of a permanent framework for consultation, with taxpayers being able to refer at any time to the contact person designated by the tax administration;

▪ the guarantee of the speedy resolution of difficulties brought to the attention of the services by the integrated tax partner;

▪ logistical support for the integrated tax partner in awareness-raising, training and possibly census operations carried out on its initiative.

77. The heads of regional tax centres publish the list of members registered in the Integrated Tax Partnership. Only the latter benefit from the facilities provided for under this scheme.

78. Taxpayers who refuse to join the partnership set up for their sector of activity must be subject to all the tax penalties provided for in the Manual of Tax Procedures in the event of non-compliance with their tax obligations.

- **The obligations of the integrated tax partner**

79. As the representative of the operators in the sector or sub-sector of activities that they represent, integrated tax partners undertake to promote tax compliance within their associations based on the following quantitative indicators

▪ improvement of the registration rate in the sector;

▪ improvement in the rate of filing by members;

▪ improvement in the rate of payment of taxes by members.

80. As such, the following actions shall be undertaken, among others:

▪ provide the list of taxpayers registered in the partnership with their unique identification number (NIU), their location, their telephone number;

▪ provide a list of all the stakeholders in the sector of activity, distinguishing those who adhere to the protocol;

▪ conduct awareness campaigns among taxpayers in the said sector with a view to their census, registration and regular fulfilment of their reporting and payment obligations;

- ensure the effective participation of all taxpayers registered in the partnership in outreach and awareness campaigns organised in synergy with the tax administration;
- encourage taxpayers enrolled in the partnership who have already benefited from the exemption from control over the period not prescribed before their enrolment, to participate effectively in the compliance dialogue initiated by the tax administration to avoid any programming in tax control;
- ensure that the tax authorities only apply penalties in principle when issuing tax reminders following tax audits.

d. Tools to be deployed for the optimal functioning of the partnership protocol

81. The following tools will be used to ensure that the reciprocal commitments of the parties to the protocol are properly implemented:

- **information and awareness-raising**: this is done by making available documentary elements (legislative and statutory texts, various publications, teaching aids, etc.) on the one hand, and sensitisation campaigns among member taxpayers of their rights and obligations on the other;
- **training**: specific trainings could be provided for members of the ITP on particular topics;
- **assistance and support in fulfilling** tax obligations and taking steps to benefit from tax advantages;
- **periodic evaluation of compliance with commitments**: on a monthly or quarterly basis, the heads of regional tax centres must organise meetings to evaluate the commitments of the parties to the partnership protocol.

○ **<u>Sections 122, 124 and 124 A</u>.- Measures to promote the import substitution policy**

82. To enhance the import-substitution policy, the following three levers have been used in the 2023 Finance Law at the fiscal level:

- the consolidation of existing incentive measures to promote the agricultural, livestock and fisheries sectors;
- the development of additional specific measures for companies processing local raw materials
- the rationalisation of the promotion of drinks produced from local raw materials.

▪ **<u>Section 122</u>.- Strengthening of the measures for the promotion of the agricultural sector (agriculture, livestock and fisheries)**

83. The 2023 Finance Law has strengthened tax incentives for companies in the agriculture, livestock and fisheries sectors. Previously confined to the investment phase (a), the facilities are now provided to actors in this sector during the exploitation phase (b).

b. During the installation phase :

▪ **<u>Incentives granted</u>**

84. Enterprises in the agricultural production, livestock and fisheries sectors benefit from the following tax advantages during the investment phase

- exemption from payroll taxes and employers' contributions on salaries paid to seasonal agricultural workers ;
- exemption from VAT on the purchase of pesticides, fertilisers and inputs, as well as agricultural, livestock and fisheries equipment and materials listed in the annexe to Title 1 of the GTC setting out the list of VAT-exempt agricultural, livestock and fisheries equipment and materials
- exemption from registration duties on transfers of land used for agriculture, livestock and aquaculture;
- exemption from registration duties on loan agreements intended to finance agricultural, livestock and fisheries activities;

- exemption from property tax for properties belonging to agricultural, livestock and fisheries enterprises and used for these activities, except for office buildings.

- **<u>Procedures to benefit from these incentives</u>**

85. To benefit from these exemptions, the company is not required to apply for an exemption certificate. However, the tax administration reserves the right to carry out compliance audits of transactions that have benefited from these exemptions.

86. However, in the specific case of registration duties on transfers of land or loan agreements intended to finance agriculture, the exemption is subject to the presentation of an exemption certificate issued by the Director General of Taxes.

87. Applications for exemption from registration duties, duly stamped, shall be accompanied by a certificate from the head of the administration in charge of agriculture or livestock, justifying the allocation of the land to agriculture, livestock and aquaculture.

88. The deeds in question are declared online using the exemption certificate number. The departments responsible for the follow-up of the derogation schemes are required to send the references of the said certificates to the Division in charge of information technology for entry online.

89. As in the past, the above exemptions shall not be cumulated with the tax benefits granted under the regime of Law No. 2013/004 of 18 April 2013 to lay down incentives for private investment in the Republic of Cameroon.

c. <u>The operational phase</u>

90. During the operational phase, the following incentives are granted to individual farmers as well as to companies in the agricultural, livestock and fisheries sectors.

- **<u>For individual farmers</u>**

- **<u>Incentives granted :</u>**

i. During the first five (05) years of operation

- Exemption from the business licence;
- Exemption from the advance income tax and the minimum income tax ;
- Exemption from the income tax.

ii. Beyond the fifth (5th) year :

- Exemption from the business licence ;
- Payment of a flat-rate income tax at the rate of 0.5% of turnover, plus 10% for ACTs.

<u>NB</u>: This tax is withheld at source by the purchasers of the said products in case they are entitled to withhold taxes at source.

- **<u>Scope of application</u>**

91. Individual farmers, including those constituted in the form of a cooperative society or common initiative group (CIG), engaged in agricultural production, livestock farming and fishing, are eligible for the above facilities.

92. Individual farmers engaged in agricultural production, livestock farming and fishing shall be understood, within the meaning of Article 30 of the Revised Uniform Act on General Commercial Law (AUDCG), as individual entrepreneurs, individuals who, upon simple declaration, engage in one of these activities.

93. This does not apply to companies established as corporate entities (public limited liability companies (PLC), Private Limited Liability Companies, etc.).

- **<u>For companies</u>**

94. Companies operating in the agricultural, livestock and fisheries sectors which are not classified as individual farmers may benefit from the tax advantages provided for by the law of 18 April 2013 establishing incentives for private investment. To do so, they must first apply for approval from the agencies in charge of investment promotion.

95. It is important to specify that companies in these sectors which do not apply for approval under one of the schemes of the aforementioned law of 18 April 2013 remain eligible for the benefit of the exemptions on indirect taxes provided for in section 122. a of the GTC, in the investment phase.

d. **<u>Miscellaneous and transitional provisions</u>**

96. The facilities granted by this scheme come into force as of 1 January 2023.

▪ **<u>Section 124</u>.- Support measures for the promotion of beverages produced from local raw materials**

97. Since the 2017 Finance Law, beverages produced exclusively from raw materials sourced from local agriculture are exempt from the payment of the additional specific excise duty.

98. In case of absolute unavailability of input on the local market, these beverages could benefit from the said exemption as long as the percentage of raw material from local agriculture is not less than 40% of the components used.

99. To further encourage the use of local inputs, in line with the import-substitution policy, the legislator has reinforced this specific tax regime by encouraging new beverages produced exclusively from local raw materials through :

- A 30% reduction in the taxable base for ad valorem excise duties;
- The authorisation of the Minister in charge of finance (MINFI) to waive the required 40% threshold in the event of unavailability of local raw materials.

a. 30% reduction in the taxable base for ad valorem excise duties

100. From now on, in addition to the exemption from specific excise duties, duly approved new beverages produced and packaged exclusively from local raw material will benefit from a 30% reduction in the taxable base for ad valorem excise duties during the first three years of operation.

101. The 30% allowance on the tax base of the said products cannot be cumulated with the 10% allowance granted under section 141 bis of the General Tax Code to beers with an alcohol content of 5.5 or less.

102. As this is a one-off measure, the benefit of this advantage is granted to duly accredited beers for a period of three years, starting from the date on which approval for the said scheme is granted by the tax authorities.

103. For beverages already approved for this scheme, they shall benefit from the said measure for a period of three years from 1 January 2023, i.e. until 31 December 2025.

b. The authorisation of MINFI to waive the required 40% threshold in the event of unavailability of local raw materials

104. In case of unavailability or insufficient availability of local raw materials for duly approved products, the Minister in charge of finance may grant one-off and time-limited derogations to the minimum 40% threshold required.

105. Proof of the lack of local raw materials is incumbent on the Ministers in charge of trade and agriculture.

106. Applications for exemption from the 40% threshold, duly stamped, shall be submitted to the tax authorities and forwarded to the Minister in charge of finance after examination by the structure in charge of exemption schemes. They must include the decision to waive the threshold signed by the ministers in charge of trade and agriculture.

107. If necessary, the structure in charge of monitoring derogation regimes may call upon external experts to examine these requests.

108. The reply from the Minister in charge of finance granting the waiver must specify the period for which it is granted.

109. The absence of a response from the Minister in charge of finance within 60 days shall result in the rejection of the request.

110. The derogation granted shall be subject to an annual evaluation by the services in charge of monitoring the derogation schemes, the tax centre of the producing company, as well as the ministers in charge of trade and agriculture, to assess the evolution of the availability of the local raw material concerned.

c. Miscellaneous and transitional provisions

111. The requirements to benefit from the regime of promotion of new local drinks, and the conditions of granting the related approval, remain spelt out by the terms of points 114 and following the circular N°001/MINFI/DGI/L of January 12, 2021, specifying the application modalities of the finance law for the year 2021.

- **Section 124 A.- 50% allowance on the monthly income tax instalment for companies processing local raw materials**

112. Among the measures aimed at promoting import substitution enshrined in the 2023 Finance Law, there is a 50% allowance on the monthly income tax instalment for companies that process local raw materials into finished products.

a. Eligible companies

113. Companies involved in the processing of raw materials from the following sectors into finished or semi-finished products are eligible for this preferential scheme :

- **Agriculture is** understood as the cultivation of land ;
- **Breeding is** understood as the maintenance and multiplication of animals for human use ;
- **Fishing is** understood as the cultivation of fish and other fishery resources ;
- **Leatherwork,** which refers to leather products obtained from the raw material of animal skin through tanning that preserves the natural shape of the skin fibres;
- **Cabinetmaking is** understood as all the activities involved in the manufacture of wooden furniture and panels, consisting of a carpenter's frame to which are applied sheets of precious wood called veneers or any other material which entirely or partially conceals the frame.

114. Companies dealing with the storage, transport, marketing or sale of the above-mentioned products are excluded from this scheme.

b. Conditions to be met

- **Conditions on substance**

115. To benefit from the support scheme for local processing, the main raw material of the finished product must be locally sourced from one of the above sectors.

116. Similarly, the packaging of the product must be local; this implies that the packaging, labelling and capping if any, must be made locally from local raw material.

- **Conditions of style**

117. The application of this preferential regime is subject to prior validation by the tax authorities.

118. As such, an application must be submitted to the Director General of Taxation. This must be stamped at 25,000 FCFA, under the provisions of Articles 470 bis and 557 bis of the CGI and accompanied by :

- A copy of its trade register and articles of association for companies ;
- A copy of its tax registration certificate and those of its suppliers of essential inputs for the manufactured product (raw material and local packaging, if applicable);

- A valid tax clearance certificate and those of its suppliers of essential inputs for the manufactured product (raw material and local packaging, if applicable);
- Proof of the sources of supply of raw materials;
- The production diagram detailing the composition of the finished products.

119. The structure in charge of the follow-up of exemptions shall examine, within fifteen (15) days, the requests for validation of the promotion and processing of local raw materials. The said structure may, if necessary, call upon the assistance of sectoral ministries or external experts to examine the applications.

120. At the end of the examination, the Director General of Taxation notifies the applicant of his decision.

c. The incentive granted

121. Companies in the above-mentioned sectors, duly approved by the tax authorities, are entitled to a 50% allowance on the monthly income tax instalment and the minimum tax.

122. The allowance thus granted is valid for a period of five (05) years, starting from the date of approval.

d. Miscellaneous and transitional provisions

123. The incentives provided for by this scheme, which come into force on 1 January 2023, cannot be combined with any other tax incentive scheme provided for by the General Tax Code or any other specific text.

- **MODIFICATIONS ON THE VALUE-ADDED TAX AND EXCISE DUTIES**

○ **<u>Section 128 (6).</u>- Exemption from VAT on the sale of local products by farmers, breeders and fishermen**

124. The amendment to section 128(6) of the General Tax Code is intended to extend the scope of the exemption from VAT to sales of local products.

125. From now on, provided that they are directly sold by a farmer, a livestock breeder or a fisherman, raw products are exempt from VAT, regardless of their tax regime.

126. The term "raw product" shall be understood to mean any product resulting from agricultural, fisheries and livestock activities carried out on national territory, which has not undergone any processing. This includes plantain, tubers, meat for consumption, potatoes, millet, maize, and various fruits and vegetables.

127. Direct commercialisation shall be understood to mean the sale by individual farmers, including those in the form of cooperatives or Common Initiative Groups (CIGs), of raw products to final consumers or businesses.

128. Consequently, sales made by agricultural companies, intermediaries and distributors of such products remain liable to VAT where they are taxable.

129. This measure shall apply to all transactions invoiced as of 1 January 2023.

○ **<u>Section 128 (6).</u> - Exemption from VAT on purchases of essential foodstuffs by public entities in charge of managing security stocks**

130. The Finance Law 2023 established the exemption from VAT of purchases of essential foodstuffs made by public entities in charge of regulating or managing security stocks, such as the Office céréalier and the Mission de Régulation des Approvisionnements des Produits de grande consommation (MIRAP).

131. To benefit from this exemption, these purchases must be made from farmers, breeders and fishermen, including when they are constituted in the form of a cooperative or a Common Initiative Group (GIC). Thus, purchases from distributors of such products remain liable to VAT.

132. This measure applies to all transactions invoiced as of 1 January 2023.

○ **<u>Section 142 (9)</u>. - Reduction of the specific excise duty rate on non-returnable packaging**

133. Since 1 January 2019, the excise duty on non-returnable packaging, set at CFAF 5 per unit of packaging, is capped at 10% of the value of the unit price of the product.

134. With the entry into force of the 2023 Finance Law, this ceiling is now reduced to 5%, based on the same basis, i.e. the unit price of the product.

<u>Example</u>

For a bag containing 10 sweets that cost CFAF 25 each, i.e. 250 FCFA per bag, the excise duty is calculated as follows

- Number of packages: 10
- Price per bag of sweets: FCFA 250 (i.e. number of units of sweets * unit price)
- Specific liquidated DA: 10 * 5 FCFA (number of packages*price) = 50 FCFA
- Excise duty ceiling/unit: 5% * 25 FCFA (ceiling * product price) = 1.25 FCFA
- Excise duty to be paid: 10 * CFAF 1.25 (number of packages * ceiling tariff) = CFAF 12.5.

135. This measure applies to deliveries and imports of products packaged in non-returnable packaging from 1 January 2023.

- **<u>PROVISIONS RELATING TO THE TAX ON MONEY TRANSFER</u>**

○ **<u>Section 228 quinquies</u>.- Capping of the money transfer tax**

136. Introduced by the 2022 Finance Law, the Money Transfer Tax (MTT) is charged at a rate of 0.2% of the amount (excluding VAT) of the sums transferred or withdrawn, regardless of the company providing the payment service.

137. While maintaining this 0.2% rate, the legislator now sets a cap for certain transfer transactions.

a. The money transfer transactions covered by the cap

138. The cap shall apply exclusively to postal money transfer transactions carried out by service providers duly authorised by the Ministries in charge of finance and post and telecommunications.

139. Postal money transfer transactions shall be understood, within the meaning of Article 4 of Law No. 2020/004 of 23 April 2020 governing postal activity in Cameroon, as any movement of funds or money (cash order), on the order of a customer, with a view to payment at sight for the benefit of a correspondent, without transiting through a bank or postal account, whether this movement is executed by physical or electronic means. This applies in particular to transactions carried out by the companies Campost, Express Exchange and Express Union.

140. In this regard, the tax on other money transfer transactions falling within the scope of this levy remains at a rate of 0.2% on the amount of the sums transferred or withdrawn, excluding tax, without any ceiling. This is the case for transfer operations carried out by mobile telephone operators.

b. The cap

141. For postal money transfer transactions, the MTT is now capped at the amount of the commission charged by the service provider.

<u>Example</u>

What is the amount of the MTT for a postal money transfer transaction of FCFA 1,800,000, given that the service provider invoices its client a commission of FCFA 2,000 including tax?

- The amount transferred: FCFA 1 800 000
- Theoretical ATT due: 0.2% * 1,800,000, i.e. FCFA 3,600

- NB: as the theoretical amount of the tax (FCFA 3,600) is higher than the commission received, FCFA 2,000, the amount of the tax must be capped at the commission excluding tax, i.e. FCFA 1,677 (2000/1.1925).

c. Entry into force

142. The cap on the MTT on postal money transfer transactions shall apply to all taxable transactions carried out from 1 January 2023.

- **PROVISIONS RELATING TO THE SPECIAL TAX ON PETROLEUM PRODUCTS**

○ **Sections 229, 231, 232, 233, 234, 235 and 237 (1) of the GTC.- Extension of the scope of the Special Tax on Petroleum Products (STPP)**

143. The amendments to Articles 229 et seq. of the General Tax Code extend the scope of application of the STPP to natural gas for industrial use.

a. Scope

144. Under the provisions of section 229 above, natural gas for industrial use is henceforth liable to the STPP.

145. This levy does not apply to gas acquired by companies producing electricity for the general public, to gas intended for the local production of liquefied gas and to the gas used by households.

146. Natural gas production and distribution companies are legally liable for the STPP on natural gas. Industrial companies, except those engaged in the production of electricity for the general public and domestic gas, are the actual liable persons.

b. Taxable event and act constituting liability

▪ ***Taxable event***

147. Within the meaning of section 232 of the General Tax Code, the chargeable event for the STPP for natural gas for industrial use is the delivery of taxable products by the companies producing or distributing the said gas.

▪ ***Act constituting liability***

148. The TSPP for natural gas for industrial use becomes payable at the same time as the chargeable event.

c. Rate and basis of assessment

149. The rate of the STPP is set at CFAF 70 per cubic metre of natural gas for industrial use falling within the scope of this levy.

150. If gas for industrial use is marketed in units of measurement other than the cubic metre, the person legally liable for payment is required to convert the quantities sold into cubic metres to declare the said tax.

d. Collection, filing and remittance

151. The STPP on natural gas for industrial use is collected by the production or distribution companies.

152. The STPP collected by the production or distribution companies of natural gas for industrial use must be remitted no later than the twentieth (20th) of each month into the account of the collector of the tax management unit to which the company is attached for the operations carried out during the previous month.

153. In the case of direct importation by the company, without recourse to local producers or distributors, the tax is liquidated by the company and paid to its tax management unit before the 20th of the month following the importation.

e. Sanctions and audit

154. The rules on penalties and audit procedures relating to the STPP on natural gas for industrial use are set out in the Manual of Tax Procedures.

f. Earmarking of the proceeds of the STPP on natural gas for industrial use

155. Unlike the STPP on other combustibles (super and diesel), whose proceeds are partially earmarked to the Road Fund, the proceeds of the STPP on natural gas for industrial use are entirely allocated to the State.

g. <u>Entry into force</u>

156. This measure shall apply to supplies made from 1 January 2023.

- <u>PROVISIONS RELATING TO REGISTRATION AND STAMP DUTIES</u>

○ <u>Sections 547 et seq</u>.- Adjustment to the rates of stamp duties based on paper size and specific stamp duties

157. The rates of the paper size stamp duty as well as those of some specific stamp duties have been readjusted in the Finance Law for the year 2023.

a. <u>The stamp duty based on paper size</u>

158. The rate of stamp duty on normal paper and a half sheet of normal paper is increased from FCFA 1,000 to FCFA 1,500.

159. The rate of stamp duty on registered paper remains fixed at FCFA 1,500.

b. <u>The stamp duty on certain specific documents</u>

160. The new specific stamp duty rates apply to the following documents

- entry and exit visas on foreign passports ;
- the residence permit ;
- residence card; - driving licence
- driving licences
- the permit to carry arms;
- permits and licences for hunting activities;
- bill of lading;
- certificates of registration of machines subject to the tax on games of chance and entertainment, as well as their duplicates.

161. The rate of stamp duty on identity cards issued to persons of Cameroonian nationality remains fixed at CFAF 1,000.

162. It is specified that the number of entries does not affect the rate of stamp duty for entry and exit visas on foreign passports. In this regard, the applicable rate is fixed at

- FCFA 100,000 for stays of less than six (06) months. This rate is increased to FCFA 150,000 for express visas;
- FCFA 150,000 for stays of more than six (06) months. This rate is increased to FCFA 200,000 for express visas.

163. The new rates of stamp duty specific to certain updated documents are listed in the annexe to this circular.

164. The structures in charge of fiscal values and information technology are responsible, each in its area, for implementing the necessary IT parameters for the application of these new rates.

c. <u>Graduated stamp duties</u>

165. The new rates of graduated stamp duty applicable to the documents referred to in section 585 (1) of the General Tax Code are now set as follows

- F CFA 25,000 for the value between 0 and 1,000,000 F CFA ;
- FCFA 50,000 for the value between FCFA 1,000,001 and 20,000,000;
- FCFA 75,000 for the value between FCFA 20,000,001 and FCFA 50,000,000;
- FCFA 150,000 for the value between FCFA 50,000,001 and 100,000,000;
- FCFA 250,000 for the value between 100,000,001 and 500,000,000 FCFA;

- FCFA 400,000 above FCFA 500,000,000.

166. It should be noted that documents subject to graduated stamp duty remain liable to stamp duty on paper size at the new rate in force, by the provisions of section 587 of the General Tax Code.

d. <u>The automobile stamp duty</u>

167. As of 1 January 2023, the rates of automobile stamp duty collected by insurance companies are fixed as follows:

- **For public vehicles for the transport of passengers and goods**
  - Vehicles from de 02 to 7 HP …… 15 000 FCFA ;
  - Vehicles from 08 to 13 HP …...25 000 FCFA ;
  - Vehicles from 14 to 20 HP ….. 50 000 FCFA ;
  - Vehicles above 20 HP....150 000 FCFA.
- **For other vehicles**
  - Vehicles from 02 to 7 HP …… 30 000 FCFA ;
  - Vehcles from 08 à 13 HP …...50 000 FCFA ;
  - Vehcles from 14 à 20 HP ….. 75 000 FCFA ;
  - Vehicles above 20 HP....200 000 FCFA.

168. Other vehicles referred to above shall be understood to mean vehicles not used for the public transport of persons and goods.

169. Also, the application of the rate of the automobile stamp duty on vehicles used for the public transport of persons and goods is subject to the production by the owner of the vehicle to his insurance company of a valid transport licence duly issued by the competent authority, by the provisions of Article 3 of Decree No. 2022/8801/PM of 10 October 2002 to lay down the conditions of access to the professions of road transport operator and auxiliary road transport operator.

170. The Division in charge of information technology, in collaboration with the National Directorate of Insurance and the Association of Insurance Companies (ASAC), is invited to take the necessary steps to put in place an electronic monitoring system for stamp duty.

e. <u>The airport stamp duty</u>

171. The rates of airport stamp duties for international flights outside the CEMAC zone are now set as follows

- FCFA 40,000 per person and per journey in economy class ;
- FCFA 120,000 per person and per journey in business class.

172. The rates of airport stamp duty remain unchanged for national flights (CFAF 1,000) and flights within the CEMAC zone (CFAF 25,000).

173. Business class includes all categories of air tickets above economy class, except premium class. The latter comes under the economy class.

174. As a transitional measure, tickets for international flights outside the CEMAC issued in 2022 based on the old tariffs may be used until 31 March 2023 without increasing the initial tariff. As of 1 April 2023, all tickets for international flights outside CEMAC, regardless of the date of purchase, must be accompanied by a stamp duty at the current rates.

175. In this regard, the management services shall require airlines to attach to their monthly declaration for the month of February 2023, a summary statement of tickets for international flights outside CEMAC issued in 2022 and not yet used.

f. <u>Miscellaneous provisions</u>

176. The procedures for the collection, payment and enforcement of the various stamp duties remain unchanged.

177. The departments responsible for the management of stamps and fiscal values shall proceed without delay, in conjunction with the usual technical partners, to configure the franking machines to the new rates.

178. The new stamp duty rates shall apply as of 1 January 2023.

- **PROVISIONS RELATING TO TAX PROCEDURES**

o **Section L7.- The generalisation of electronic tax payments to all taxpayers**

179. Until 31 December 2022, electronic payment was the compulsory method of payment of taxes for companies under the jurisdiction of the Large taxpayers' office.

180. The 2023 Finance Law extends this exclusive payment method to all structures under the responsibility of specialised tax management units, in particular, the Medium size taxpayers' offices (MTO) and the Specialised taxpayers' offices for the liberal professions (CSIPLI).

181. The modalities of payment of taxes by electronic payment are specified by the terms of points 32 and following circular N°0006295/MINFI/DGI/DGTCFM of 21 July 2021 specifying the modalities of payment, reconciliation, issuance of the electronic receipt and accounting of tax revenues.

182. This measure shall apply to payments made as of 1 January 2023.

o **Section L8 quinquies, M 99 and M 104.- institution of the beneficiary ownership standard**

183. The 2023 Finance Law transposes the beneficial owner standard into our domestic legislation to strengthen our country's compliance with international standards on tax transparency.

184. The modalities of implementation of this standard will be specified by a specific text.

185. The unit in charge of the international exchange of information will take the necessary steps to finalise this specific text.

o **Section M 14 bis.- Clarification on the duration of on-the-spot tax audits**

186. The 2023 Finance Law confirms the duration of on-the-spot audit operations as provided for in section 1 of Article M 40 of the General Tax Code at three (3) months. It also recalls the modalities for calculating the duration of the said on-site control operations.

187. As such, it is specified that the duration of on-the-spot audit operations in a company starts from the date of the effective start of the work, mentioned in the report drawn up during the first on-the-spot intervention.

188. It should be recalled that the administration may extend the above three (03) month period in the event of duly justified exceptional circumstances.

189. The above-mentioned period shall be automatically extended by nine (9) months in the following cases

- in the case of a transfer pricing audit, from the date of actual receipt of the complete transfer pricing documentation
- in the case of the implementation of the international exchange of information procedure, from the date of sending the request for information.

190. As this is a simple clarification measure, these provisions apply both to audit procedures initiated on or after 1 January 2023 and to those in progress.

o **<u>Section L 22 ter</u>.- Legal status and framework of the compliance dialogue procedure**

191. The 2023 Finance Law provides a framework for the compliance dialogue procedure as part of the monitoring of taxpayers' compliance by the tax administration.

192. The following points specify the concept of compliance dialogue (1), its conditions (2) and implementation modalities (3) and finally the scope of the said procedure (4).

i. <u>The compliance dialogue notion</u>

193. The compliance dialogue is a tax monitoring method that allows the administration to encourage the taxpayer, through an adversarial exchange, to spontaneously regularise his declarative situation, without incurring sanctions.

194. As such, it is an autonomous procedure, distinct from the procedures of control on documents, requests for clarification or justifications provided for in Article L 21 of the LPF.

195. Unlike the above-mentioned audit procedures, the compliance dialogue procedure cannot, under any circumstances, lead to a notification of adjustments or an arbitrary assessment. It is therefore simply a tool for promoting tax compliance and monitoring taxpayers' declarative behaviour.

196. Consequently, the frontline services are required to strictly observe the terms and conditions of implementation of this procedure, which is intended, upon its conclusion, to enable the administration to collect revenue from any expected spontaneous regularisations and to enable taxpayers to bring their tax obligations up to date.

ii. <u>Conditions for the implementation of the compliance dialogue procedure</u>

a. Substance

197. Under the provisions of the first paragraph of section M 22 ter of the General Tax Code, the administration may, based on the returns filed by a taxpayer or extra-accounting information in its possession, initiate a compliance dialogue aimed at clarifying and, where appropriate, regularising the tax situation of the latter.

198. This implies that to apply this procedure, the administration must rely on a deficiency or an omission likely to affect the fullness, sincerity and accuracy of the taxpayer's return. Moreover, the deficiency or omission must be non-accounting. As in the case of desk audits, the administration cannot require the production of accounting documents in the context of a compliance dialogue procedure.

199. Failure to comply with the above substantive requirements will result in the invalidity of the compliance dialogue procedure initiated by the administration.

b. Style

200. The tax office to which the taxpayer belongs initiates the compliance dialogue procedure.

201. Thus, when the management services find shortcomings or omissions in a taxpayer's returns, they send the taxpayer a written invitation to a working session. This invitation must reach the taxpayer at least eight (08) days before the date of the said meeting.

202. It should be noted that the eight (08) day period is a clear period calculated from day to day. As such, the day of notification of the invitation is not counted.
For instance, for an invitation notified to the taxpayer on 10 January, the time limit runs from 11 January and the working session must be held at the earliest on 18 January.

203. In addition to the purpose of the meeting and the items to be produced, if any, the invitation letter referred to above and duly signed by the Head of the Tax Office or the Director of Large Taxpayers Office, must specify the following ;

- the surname, first name or company name of the taxpayer
- the tax identification number (TIN) and exact address
- the period in respect of which the declaration concerned was made
- the nature of the deficiencies or omissions involved;
- the date scheduled for the working session;
- the supporting documents to be produced if any.

204. To prevent any dispute regarding deadlines, the services should systematically ensure that invitations to working sessions are notified by hand, against a receipt from the taxpayer or his representative, or by registered letter with acknowledgement of receipt, the postmark being taken as proof.

iii. **<u>Application modalities of the compliance dialogue</u>**

a. The duration of the compliance dialogue

205. From the date of the first working session, the compliance dialogue procedure may not exceed forty-five (45) days.
To illustrate, for a dialogue opened on 18 January, the services have until 3 March to complete the work.

b. The contradictory nature of the procedure

206. The compliance dialogue procedure is conducted per the "principle of adversarial proceedings". This implies the obligation for the administration to hold working sessions during which the taxpayer is allowed to make observations. The taxpayer may be assisted by a CEMAC-approved tax advisor or an approved management centre of his choice.

207. However, the services shall refrain from carrying out any investigation into the taxpayer's accounts on this occasion.

c. The formalization of the end of the proceedings through an official report

208. After the compliance dialogue procedure, the tax authorities draw up a report, duly signed by both parties (see the model in the annexe), in which the observations of the tax authorities, the observations accepted and/or rejected by the taxpayer and the amount to be adjusted by the taxpayer are recorded. The report shall mention any refusal to sign.

iv. **<u>The scope of the compliance dialogue procedure</u>**

209. The compliance dialogue procedure cannot, under any circumstances, lead directly to a notification of a tax adjustment or an ex officio taxation. However, it may lead to :

- either a voluntary correction, if the taxpayer accepts some or all of the administration's observations (a) ;
- or a proposal for a schedule for an audit, in the event of a disagreement between the parties at the end of the procedure (b).

a. In case the taxpayer accepts the administration’s observations

210. When the taxpayer acknowledges the validity of the tax administration's observations, the compliance dialogue procedure leads to spontaneous regularisations.

211. The taxpayer must therefore, based on the above-mentioned report, spontaneously file a supplementary declaration for the period in question and immediately pay the amount of tax evaded.

212. If the taxpayer fails to submit a supplementary declaration within eight (8) days of the signing of the report on the closure of the proceedings, the latter shall become null and void and the observations of the tax authorities shall be deemed not to have been accepted by the taxpayer.

213. The spontaneous regularisations made in the context of a compliance dialogue procedure shall not give rise to the application of the increases provided for in Article L96 of the General Tax Code, per the provisions of Article L34 of the Book of Tax Procedures, insofar as no notice of verification or notification of control on documents has been notified to the taxpayer on the date of settlement of the spontaneous regularisations resulting from this procedure. The late payment interest provided for in Article L 106 of the CGI remains due and must be paid.

214. Regularisations under this procedure are made based on a tax assessment notice generated by the taxpayer through the website of the Directorate General of Taxes at www.impots.cm. The Division in charge of information technology shall take all the necessary steps to ensure strict compliance with these provisions.

b. In case the taxpayer does not accept the observations of the tax administration should the said observations be partially accepted

215. If at the end of the exchange of views, there are still differences between the parties, the compliance dialogue procedure may lead to a proposal for scheduling a tax audit by the tax administration.

216. Scheduling requests are sent by the tax office to the Director General of Taxation. They must be accompanied by the documents of the compliance dialogue procedure, in particular the report noting the taxpayer's non-acceptance of the Administration's observations, as well as the risk analysis which sets out in a reasoned and detailed manner the quantified tax implications.

217. Therefore, no proposal for an audit programme is allowed before the finalisation of the compliance dialogue procedure.

218. The Division in charge of tax audit programming is responsible for ensuring the timely scheduling of audit procedures as proposals are received by the services.

219. This provision shall apply to compliance dialogue procedures initiated on or after 1 January 2023.

○ **Section M 28 bis.- Establishment of a mechanism to improve the quality of adjustments in tax audits**

220. With the 2023 Finance Law, the Director General of taxation may, in the course of a tax audit procedure, be asked to arbitrate on certain proposed tax adjustments when the differences of opinion between the taxpayer and the department in charge of the audit are obvious and the proposed levels of taxation are likely to prejudice the taxpayer's continued activity. This circular specifies the conditions for referring a case to the Director General of taxation (1) and the consequences of the referral (2).

1) The conditions for referral

a) Criteria for accepting an appeal

221. Under the provisions of the first paragraph of section M 28 bis of the General Tax Code, an appeal to the Director General of Taxation may be lodged when the following two cumulative conditions are met:

- the differences of opinion between the taxpayer and the department in charge of the audit are obvious concerning one or more of the planned adjustment items;
- the resulting tax levels are likely to harm the continuation of the taxpayer's activity.

i.The presence of a clear difference of opinion between the parties

222. The difference of opinion is deemed apparent when the position of the audit services and that of the taxpayer being audited cannot be reconciled, either on the legal classification of the transactions, on the assessment of the facts, or the accounting procedure.

223. This discrepancy must be documented in a report drafted after a working session which must take place no later than one month from the date on which the taxpayer's observations are received.

224. To determine whether the differences of opinion between the two parties are obvious, the parties' positions as documented in the procedural documents should be examined, in particular the notification of adjustments sent to the taxpayer by the department in charge of the audit procedure, the taxpayer's observations, and the report stating the difference of opinion.

ii. The resulting tax levels are likely to harm the continuation of the taxpayer's activity

225. The assessment level is deemed likely to harm the continuation of the company's activity when the proposed assessments in principal and penalties exceed the:

- 7.5% of the turnover of the last financial year for taxpayers reporting to the Large Taxapeyrs Office (LTO);
- 10% of the turnover of the last financial year for taxpayers under the MTOs or DTOs.

226. In any event, taxpayers must justify in their application the threat posed to their business by the proposed taxes.

a) Types of audit procedures concerned by this measure :

227. The following audit procedures are concerned by these provisions

- the general or partial audit of accounts
- the audit of the overall tax situation
- the spot audit procedure;
- the desk audit.

228. For reminder purposes, the right to refer to the Director General of Taxation for arbitration provided for by the provisions of section M 28 bis of the Manual of Tax Procedures must be mentioned in the Charter of rights and obligations of the audited taxpayer.

b) Persons authorised to refer matters to the Director General of Taxation

229. The referral to the Director General of Taxation can be made by all parties involved in the audit. These are the taxpayers under audit or their duly authorised representatives on the one hand, and the department in charge of the audit on the other hand.

c) The request

230. The referral to the Director General of Taxation for arbitration shall be made by a simple written request signed and stamped at FCFA 25,000 and indicating the case number and the period under audit, the name or company name of the person under audit, and the department in charge of the audit. The party making the request is required to inform the other party at the time of the referral.

231. In addition, the request for arbitration must briefly state the facts at issue, the head of the adjustment envisaged by the administration on the one hand, and on the other hand, the grounds for disagreement invoked by the taxpayer.

d) When to seek the arbitration

232. The right of referral to the Director General of Taxation can be exercised before the response to the taxpayer's observations, and in any case, before the assessment notice is issued, which closes the audit procedure.

2) <u>The consequences of the referral</u>

a) The suspension of the time limits for the audit procedure

233. Under the provisions of section M 28 bis paragraph 2 of the Manual of Tax Procedures, the referral to the Director General of Taxation for arbitration suspends the countdown of the time limits of the audit procedure. This suspension takes effect from the day the request for arbitration is received, as attested by the mail service of the DGT.

234. Therefore, until the formal issuance of the opinion of the Director General of Taxation, any procedural act performed by the services in charge of audits is null and void.

b) The examination of the arbitration request

235. The Director General of Taxation shall, at the request of the Division in charge of tax audits, decide on the admissibility of the application by assessing the obvious nature of the disagreement between the parties and the potential damage alleged by the taxpayer.

236. Once the Director General of Taxation has recognised the admissibility of the request for arbitration, it shall be forwarded to the Quality Committee for examination at the request of the division in charge of audits.

237. The organisation, functioning and composition of the Quality Committee shall be determined by a service note signed by the Director General of Taxation.

238. The Legislation and International Tax Relations Division is responsible for taking the necessary steps to finalise the above-mentioned service note, which should also specify the procedures for examining the said applications.

c) The opinion of the Director-general of Taxation

239. The taxpayer filing the claim will be invited to a working session during which he or she will present his or her observations. These are subject to an adversarial examination. The taxpayer may be assisted by a CEMAC-approved tax consultant registered with the tax consultants' association or by an approved management centre of his choice.

240. The applications examined are brought to the attention of the Director General of Taxation, together with an analysis note and proposals for a decision by the latter.

241. At the end of the examination of the request for arbitration, the opinion of the Director General of Taxation shall be notified to the applicant with a copy to the other party.

242. The opinion of the Director General of Taxation shall be binding on the department in charge of the audit.

243. The notification of the opinion of the Director General of Taxation lifts the suspension of the procedural deadlines.

244. In the event of persistent differences of opinion between the opinion of the Director General of Taxation and the taxpayer, the latter shall keep his or her right to litigation, as provided for in section M 116 et seq. of the Manual of Tax Procedures.

245. These provisions apply to ongoing audit procedures, including those initiated before 1 January 2023.

- **Section M 33 bis.- Strengthening the rights of taxpayers via the tax ruling procedure**

246. Introduced since the 2008 Finance Law, the tax ruling is a formal position taken by the tax administration when a taxpayer makes a prior enquiry about the application of a tax rule for his specific situation.

247. The new provisions of paragraph 2 of section M33 bis of the General Tax Code strengthen this mechanism aimed at providing taxpayers with legal certainty by specifying the deadline for the administration to respond (a) as well as the scope of the guarantee offered (b).

a. The time frame of the administration's response period

248. Where a taxpayer submits a written, precise and complete request, the administration shall issue a ruling within three (3) months.

249. This period shall run from the date of receipt of the request by the Director General of taxation; the date stamped on the application is proof of this. If the administration informs the taxpayer that the application is incomplete, the time limit shall run from the receipt of the additional information requested by the administration.

250. Where the request reaches an operational structure of the Directorate General of Taxation, the latter shall forward the request to the DGT without delay and inform the applicant accordingly. In this case, the three-month period shall run from the date on which the Director General of Taxation receives it.

251. It is recalled that only requests for tax rulings that meet the conditions laid down in Circular No. 0002/MINFI/DGI/LC/L of 11 January 2008 specifying the terms of application of the Finance Law 2008 are acceptable.

252. As a reminder, to be admissible, a tax ruling request must meet the following cumulative conditions

- the request must be addressed in writing to the Director General of Taxation, with a precise indication of the subject matter, i.e. the rescript ;
- be before the conclusion of the contract, the legal act or the realisation of the project or operation
- include all the elements needed to assess the true scope of the planned operation, through :
  - a clear, complete and sincere description of the planned operation
  - the exact designation of all parties to the contract and the links between them;
  - the production of a copy of all draft documents useful for assessing the scope of the operation, such as deeds, contracts, agreements and protocols.

b. The guarantee granted by a tax ruling

253. Under the provisions of the first paragraph of section L 33 bis, the administration's position is binding on the latter. The administration guarantees a taxpayer acting in good faith against any subsequent change of interpretation.

254. No tax adjustment may be made as a result of a dispute over the assessment of a situation by a taxpayer acting in good faith and if it is established that the assessment of the situation has been formally accepted by the administration.

255. The above-mentioned guarantee shall also apply in the event of silence on the part of the administration beyond the three (03) month period.

256. Thus, the taxpayer's interpretation is deemed to be accepted by the administration and no adjustment may be applied to him based on his interpretation, provided that he has carried out the project or executed the contract per the elements produced in his request.

257. A taxpayer may not, however, rely on the assessment of a factual situation concerning other taxpayers in his case.

258. It should be noted that the guarantee given to the taxpayer in the context of a rescript is not intended to prevent the administration from changing its analysis of a factual situation. The administration can always revoke its position, but it can only do so for the future, without being able to retroactively change its assessment of a taxpayer's situation by the position it had previously taken.

259. This measure applies to requests submitted from 1 January 2023.

- **Section L 33 ter.- Institution of the advance pricing agreement procedure**

260. In line with the measures aimed at strengthening legal stability and as part of the continued harmonisation of our legislation with international standards, the 2023 Finance Law enshrines the advance pricing agreement procedure in transfer pricing matters.

261. The modalities of implementation of this procedure will be defined by a specific text.

o **<u>Section M 86 bis</u>.- Reinforced disclosure requirements for companies on indirect sales of shares, bonds and other equity**

262. As of 1 January 2023, in addition to the obligation to pay the capital gains tax, companies carrying out transactions involving the transfer of shares, bonds or corporate units of companies, including rights relating to natural resources, are subject to the following reporting obligations

- declaration of indirect transfers within a period of fifteen (15) days from the signing of the said contract(s). This period is extended to three (03) months when the transfer takes place abroad or involves entities under a foreign law;
- production of documents explaining the method of valuation of the assets transferred. These documents must both correspond to internationally recognised standards and be expressly mentioned by the companies and, where applicable, be accompanied by supporting documents such as the reports of the contribution auditors or any other external certification of the companies concerned.

263. The disclosure obligations referred to in the above point are incumbent on the entity under Cameroonian law whose shares, bonds or corporate units are thus transferred.

264. The returns provided for in these provisions shall be made to the tax management unit to which the taxpayer belongs.

265. Failure by the above-mentioned companies to comply with their filing obligations shall entitle the tax authorities to proceed by any means with the administrative assessment of the capital gain derived from the above-mentioned transfer operations, to establish the tax due.

266. Under the provisions of paragraph 3 of section M 86 bis of the Manual of Tax Procedures, the administrative assessment of the capital gain is enforceable against the actual and legal parties liable for payment.

267. The administrative assessment of the capital gain may be documented based on available sources external to the tax administration, such as specialised websites, specialised journals, press releases, etc. These sources must be referred to in the administrative assessment of the potential capital gain generated by these transactions.

268. In any event, in the event of a dispute as to the valuation method, it is up to the taxpayer to provide evidence to the contrary based on legal, accounting and financial sources.

269. It is recalled that in the event of failure to declare the above-mentioned transfer operations, the tax due as established by the administration is increased by a fine corresponding to 100% of the principal duty, under the provisions of section M105 ter of the General Tax Code.

270. This provision applies to all transactions involving the transfer of shares, bonds or corporate units, including rights relating to natural resources, which are concluded on or after 1 January 2023.

o **<u>Sections M121 and M121 bis</u>. – Adjustments to the respite of payment**

271. The 2023 Finance Law simplifies the respite payment regime by reducing the requirements applicable to certain taxpayers (1) and by clarifying its validity period (2).

1) <u>The easing of conditions for granting the respite of payment to certain taxpayers</u>

272. Under the 2023 Finance Law, the respite of payment is automatically granted upon application to the Director General of Taxation in the following cases

- a request for automatic relief of taxes issued following a computer error attributable to the tax administration's IT system. In this case, the respite of payment can also be issued at the initiative of the tax authorities;

- a request for an ex gratia reduction of penalties or a moratorium.

273. As a result, the conditions provided for in section M 121 of the Manual of Tax Procedures are no longer required to obtain a respite of payment for the above-mentioned requests.

274. The respite of payment thus granted ceases to have effect from the date of notification of the administration's decision.

275. The Department in charge of tax collection and the Litigation Division must ensure that requests for a respite of payment are processed promptly and that the references of the relevant letters are put online so that taxpayers can obtain their tax clearance certificates.

2) <u>Clarification of the validity of the respite of payment</u>

276. The 2023 Finance Law clarifies the period of validity of the respite of payment.

277. From now on, the validity of the respite of payment runs until the expiry of the period granted to the taxpayer to contest at the higher level.

278. However, there is an exception to this principle. When the respite of payment is granted under the conditions provided for in section M 121 bis of the Manual of Tax Procedures, i.e. to taxpayers who apply for an ex officio tax relief or an ex gratia reduction of penalties, it ceases to have effect from the date of notification of the administration's decision.

279. The departments in charge of collection, litigation and IT must ensure strict compliance with this measure.

280. These provisions shall apply from 1 January 2023, including applications in the course of processing received before that date.

o **<u>Sections M108, M 112 and M 113</u>.- Streamlining the procedure to prosecute tax offenses**

281. The 2023 Finance Law streamlines the system for the prosecution of tax offences by broadening the scope of application of the said offences (1) and simplifying the procedure for the tax authorities to refer cases to the courts (2).

1) <u>Broadening the scope of tax offences liable to prosecution</u>

282. Under section M 108 of the Manual of Tax Procedures, as amended by the 2023 Finance law, assault, threats or individual manoeuvres aimed at organising a refusal to pay taxes, are now tax offences and subject to the criminal penalties provided for in Articles L 107 et seq. of the aforementioned Book of Procedures.

283. For the record, until 31 December 2022, only threats or collective manoeuvres aimed at organising a refusal to pay the tax were subject to criminal sanctions.

284. From now on, it should be noted that in addition to collective manoeuvres and threats, individual threats against managers and other staff of collection services or agents and holders of constraints in the office are also tax offences subject to the criminal penalties provided for in section M 107 of the Manual of Tax Procedures.

2) <u>Simplification of the referral to the judge by the tax administration</u>

285. Before the Finance Law 2023, the referral of tax offences to the courts by the Minister of Finance was conditional on a favourable opinion from the tax fraud commission, under the provisions of section M 112 of the MTP.

286. The 2023 Finance Law abolishes this condition. Therefore, under the new provisions of section L 112 above, the opinion of the Commission is replaced by the report (the model of which is proposed in the appendix) drawn up by sworn agents of the tax administration with at least the rank of inspector and having taken a personal and direct part in the discovery of the facts constituting the offence.

287. The drafting of the report of the offence constitutes a condition for the admissibility of the complaint by the Minister of Finance, for the application of the penalties provided for in section M 107 of the Manual of Tax Procedures.

288. To ensure the effective implementation of procedures for the repression of tax offences, the services are invited to ensure the quality of the agents responsible for drawing up reports of offences, in particular by ensuring that they are duly sworn in, have the required rank and have taken a personal and direct part in the recording of the facts constituting the offence.

289. It is recalled that by the provisions of section M 113 of the Manuel of Tax Procedures, complaints may be lodged without the need to give the taxpayer prior notice to regularise his situation.

290. They may be filed until the end of the fourth year in which the offence was committed. The Minister of Finance, therefore, has four (4) years from the date of the offence to refer the matter to the competent judicial authorities.

291. These provisions shall apply to acts committed from 1 January 2023.

o **<u>Sections M 116 (4) and M 118</u>.- Extension of the time limit for the examination of tax litigation claims at the level of the Director General of Taxation**

292. Under the 2023 Finance Law, the time limit granted to the Director General of Taxation to rule on a litigation claim is increased from thirty (30) to forty-five (45) days.

293. Thus, as of 1 January 2023, the new time limits granted to the administration to rule on a litigation claim are as follows

- thirty (30) days for the Head of the Regional Tax Office and the Director of the LTO ;
- forty-five (45) days for the Director General of Taxation
- two (02) months for the Minister in charge of finance.

294. To give full meaning to this reform which aims at improving the processing of prior claims, the services are invited to be more diligent in the examination of contentious requests and to strictly respect the above-mentioned deadlines.

295. If the opinion of a service is required, the latter has a maximum of eight (08) working days to submit its opinion to the Director General of Taxation.

296. This measure shall apply both to appeals lodged from 1 January 2023 and to those pending before the Director General of Taxes before that date.

o **<u>Sections M143, M144, M145 and 571</u>.- Automation of the procedure for the waiver of penalties and interest for late payment**

297. As of 1 January 2023, the procedure for granting waivers of taxes shall be automated (1). There are however certain exceptions to this full automation.

1) The principle: total automation of the procedure

298. Under the provisions of paragraph 1 of section M143 of the Manual of Tax Procedures, applications for tax reliefs or tax reductions are submitted via the tax administration's computer application at <u>www.impots.cm</u>.

299. The electronic procedure for the ex gratia reduction of penalties and interest for late payment also concerns the reductions and ex gratia waivers of penalties provided for by Article 571 of the General Tax Code relating to registration duties.

300. The said waivers and moderations are automatically granted to the taxpayer under the following conditions:

a) Taxpayers in the green circuit: 50% reduction of the amount of penalties and interest due

301. The following are considered taxpayers in the green circuit

- taxpayers who are up to date with their filing and payment obligations and who belong to an Integrated Tax Partnership or an approved management centre
- taxpayers meeting the following cumulative criteria at the date of submission of their applications
✓ do not have any tax arrears or have a suspension of payment or moratorium;
✓ have not been subjected to an official arbitrary assessment during the last three (03) fiscal years;
✓ have not been the subject of tax adjustments leading to the application of bad faith penalties during the last three (3) fiscal years.

302. In addition to the above criteria, green-listed taxpayers must not have committed or been an accomplice to acts of fraud established in a closed or ongoing proceeding.

303. However, taxpayers who have been subject to ex officio taxation or the application of penalties in bad faith may be included in the green list if they have been granted a full refund at the end of a litigation procedure.

304. The tax administration shall publish, as necessary, the list of taxpayers in the green circuit, at the request of the Legislation Division.

b) Taxpayers in the orange circuit: 25% reduction of the amount of penalties and interest due

305. Taxpayers meeting the following cumulative criteria at the date of submission of their applications are eligible for the orange circuit
- they do not have any tax arrears or have a deferment of payment or a moratorium ;
- not to have been the subject of an arbitrary assessment during the last three (03) fiscal years.

c) Taxpayers in the red circuit: no reduction in the amount of penalties and interest for late payments due

306. Taxpayers excluded from any of the above categories are considered to be in the red circuit.

307. Waivers or reductions are applied through the tax administration's computer software and are notified online by the DGT's computer system.

308. The implementation of these provisions shall be specified by regulation.

2) Adjustments to the principle: referral to the Minister of Finance or the Director General of Taxation

309. Even though the procedure of tax waiver has been automated, as specified in points 58 et seq. of this circular, and by the provisions of Sections M 143 paragraph 1 and M 145 paragraph 2 of the Manual of Tax Procedures, the Minister of Finance and the Director General of Taxation may, within the limits of their competence hereafter: grant, upon request, waivers or reductions higher than the rates fixed in Section M144 (new) of the General Tax Code, in case of obvious and duly established financial difficulties:
- the Director General of Taxation within the limit of two hundred and fifty million (250,000,000) CFA francs for taxes and duties in principal and two hundred and fifty million (250,000,000) CFA francs for penalties and fines;
- the Minister of Finance for taxes and duties in principal exceeding two hundred and fifty million (250,000,000) F CFA as well as for penalties and fines exceeding two hundred and fifty million (250,000,000) F CFA.

310. The obvious financial difficulty referred to above may be established in particular by :
- loss-making results over three consecutive financial years ;
- a significant drop in turnover ;
- a debit balance in the cash account (bank) ;

- a significant credit balance on the customer account ;
- stable or significantly increasing accounts payable and sundry creditors ;
- an absence of dividend distribution;
- the existence of a collective procedure for the settlement of liabilities against the taxpayer.

311. In no instance may a company with extravagant expenses rely on obvious financial difficulties to claim a tax reduction.

312. In any case, for the proper administration of this system, the services are invited to systematically draw up a solvency sheet for the taxpayer at the end of the audit operations.

3) Transitional provisions

313. Pending the finalisation of the online procedure, the departments in charge of litigation at the central level, the Large Tax office and the regional tax offices examine applications for tax waivers based on the criteria listed in section M 144 (new) of the General Tax Code.

314. These provisions shall apply to applications for tax waivers and penalties submitted as of 1 January 2023.

- **<u>OTHER TAX AND FINANCIAL PROVISIONS</u>**

○ **<u>Article twenty</u>.- Clarification of the tax regime for the voluntary revaluation of fixed assets**

315. Asset revaluation operations should be taxed immediately on the revaluation difference recorded, given that the unrealised capital gains represent a taxable income. In the context of the health crisis, the legislator has temporarily waived this rule to facilitate such operations.

316. Thus, a temporary neutralisation measure was introduced under the 2023 Finance Law. This measure consisted in spreading the taxation of the revaluation difference over five years. However, non-depreciable fixed assets were not eligible for this preferential measure.

317. The amendments made to Article 20 of the Finance Law 2023 provide for the neutralisation of the revaluation difference of non-depreciable fixed assets (a) and extend the measure of spreading the taxation of the voluntary revaluation difference until 31 December 2025 (b).

a. Tax treatment of the revaluation difference of non-depreciable assets

318. Under the provisions of Article Twentieth paragraph two of the Finance Law 2023, the revaluation difference relating to non-depreciable fixed assets is not included in the result for the financial year in which the revaluation was carried out.

319. As such, the mechanism for neutralising the taxation of the temporary revaluation surplus is provided by :

- <u>for depreciable assets</u>, a spreading of the taxation over five (05) years;
- <u>for non-depreciable assets</u>, a deferral until the sale of the goods.

320. The exemption from taxation of the revaluation difference provided for in favour of non-depreciable fixed assets is, however, subject to the undertaking by the company to calculate the capital gain or loss realised subsequently on the disposal of the said fixed assets, based on their non-revalued value (the tax value of the non-depreciable asset before revaluation).

321. The commitment referred to above shall be formalised by a letter addressed to the competent management centre with a copy to the Director General of Taxation, within 15 days of the closure of the revaluation procedure.

322. The disposal of a depreciable asset entails the immediate taxation of the fraction of the revaluation difference relating to this asset which has not yet been reintegrated at the date of disposal.

Illustration

A company acquires a non-depreciable fixed asset for FCFA 100,000 in year N.

In year N+2, it carries out a revaluation of all its tangible and financial fixed assets, at the end of which the value of the aforementioned fixed asset is estimated at CFAF 150,000.

In N+4, it sells this asset for FCFA 175 000.

- The revaluation difference recorded in year N+2, the taxation of which is deferred, is CFAF 50 000 (150 000 - 100 000).
- The capital gain on disposal taxable in year N+4 is CFAF 75 000, i.e. [175 000 ('sale price') - 100 000 ('acquisition price')].

b. The extension of the preferential measure

323. Having expired on 31 December 2022, the preferential tax regime for the voluntary revaluation of fixed assets enshrined in the Finance Law 2022 is extended by three (03) years. Consequently, the preferential tax regime of free revaluation runs until 31 December 2025.

324. This measure applies to all revaluation operations carried out from 1 January 2022.

○ **Article twenty-one. - Institution of the possibility to withdraw authorisations from the different incentive schemes**

325. The legislator has established the possibility of withdrawing approvals granted to investors from the tax system, under the provisions of Law No. 2013/004 of 18 April 2013 to lay down incentives for private investment in the Republic of Cameroon. The situations that give rise to the withdrawal of approvals (a) and the withdrawal modalities (b) are specified below.

a. The situations that give rise to the withdrawal of authorisations

326. The authorisation to benefit from the tax and customs advantages provided for by the law to encourage private investment in the Republic of Cameroon may be withdrawn in any of the following cases :

- **The improper use by investors of the tax and customs benefits granted to them** is understood as any use of the tax or customs benefits contained in the approval for purposes other than those provided for in the said approval.

For example, the use of building materials intended for the implementation of a social housing project for the construction of the promoter's private housing.

The improper use of these advantages may be detected either during routine checks by the tax and customs authorities or by the investment promotion agencies;

- **Failure by the investor to comply with the legal deadlines set for the implementation of his project.** These deadlines, specified in the agreements signed by the investment promotion agencies, may not exceed :
  - in the installation phase: five (05) years, from the date of issuance of the approval;
  - in the operational phase: ten (10) years from the end of the installation phase.

b. The procedure to withdraw the authorisation

327. Withdrawal of approval shall be pronounced by the Investment Promotion Agencies on the proposal of the tax and customs administrations.

328. When these authorities find that the beneficiary is in breach of one of the above conditions, they are obliged to seek the opinion of the Investment Effectiveness Monitoring Committee beforehand. The opinion of the said Committee is advisory.

329. This committee shall proceed, in conjunction with the services of the ministries in charge of finance, private investment and labour respectively, to monitor the effectiveness of investments and to investigate investors' appeals, under the procedures set out in Articles 22 et seq. of the aforementioned 2013 law.

330. The Committee has a period of thirty (30) days at most to notify the results of the control to the investment promotion agencies. The latter, in the event of a favourable opinion from the said Committee, shall proceed to withdraw the approval by a simple letter addressed to the promoter.

c. Consequences of withdrawing the authorisation

331. In the event of withdrawal of an authorisation, all taxes and duties not paid as a result of the authorisation shall be recalled by the tax or customs authorities for the period not prescribed, without prejudice to other administrative or legal sanctions.

332. This measure shall take effect from 1 January 2023, including on approvals issued before that date.

333. These provisions, which overrule any previous interpretations contrary to those contained in this circular, must be strictly observed, and any difficulties in their application should be brought to my attention.

The Director-General of Taxation
MEYONG ABATH Roger

APPENDIX

1 Appendix 1 - DIPE Online filing Form

ANNUAL DIPE FORM

COMPANY NAME: **NIU :** **TAXATION REGIME :**

NUMBER OF EMPLOYEES : **DIPE NUMBER:** **YEAR :**

N°	***Name and surname of the employee***	***NIU of the employee***	***Gross annual salary***	***Exceptional salary items***	***Other income***	***Taxable salary***	***IRPP***	***RAV***	***FNE***	***CCF***	***TDL***	***CNPS***	***Method of payment***	***Employee's bank account number***	***TOTAL***
1															
2															
3															
4															
5															
6															
7															
8															
9															
TOTAL															

***Annexe 2* - Memorandum of Understanding on Partnership**

<u>MEMORANDUM OF UNDERSTANDING</u>

BETWEEN

The Head of the Regional Tax Office of ....., Mrs/Mr, representing the tax administration
On the one hand

AND

The **integrated tax partner**, Mr/Ms ....., representing the sector/sub-sector/association ......On the other hand

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PREAMBLE

Taking into account the vision of development inscribed in the National Development Strategy (NDS30) whose ambition is to make Cameroon an emerging country by 2035;

Given the importance given in this Strategy to both the dynamisation of the private sector and the increased mobilisation of budgetary resources;

Considering the missions of the Directorate General of Taxes (DGI) in terms of revenue mobilisation and improvement of taxpayers' tax compliance;

Considering the role of companies in wealth creation and their contribution to the payment of taxes;

Considering the need for close cooperation between the parties to ensure the smooth and harmonious execution of their respective missions;

THE PARTIES HAVE AGREED AND DETERMINED AS FOLLOWS:

CHAPTER I: GENERAL PROVISIONS

Article 1: Purpose

The main purpose of this MoU is to strengthen the voluntary compliance of the beneficiary taxpayers listed in the Annex, to ensure the improvement of tax compliance and the business climate in the sector/sub-sector of ....

This approach includes the identification, registration and tax classification of all economic operators in the sector, without exception, intending to ensure that all taxpayers comply with their tax obligations.

Article 2: Definitions

For this Protocol, the following definitions are agreed upon and accepted by the Parties:

"**Tax administration**" means all the State bodies responsible for establishing the tax base, collecting taxes and controlling them.

"**Beneficiary Taxpayers**" means all taxpayers operating in the sector or sub-sector listed in the list of stakeholders annexed to this Protocol.

"**Force majeure**" means any circumstance beyond the control or responsibility of either party. This applies in particular to war, insurrection, fire, strikes or other social disputes, acts of God and other exceptional or unexpected measures by the authorities, natural disasters and other similar cases.

"**Integrated Tax Partner**" means any taxpayer (natural or legal person) delegated by an economic sector or sub-sector requesting the benefit of legal guarantees and administrative and tax facilities, in return for the improvement of tax compliance in the aforementioned sector or sub-sector under predefined agreement-party objectives.

"**Memorandum of Understanding**" means this Memorandum of Understanding, together with all annexes thereto, which may be amended or supplemented as necessary, including any Amendments thereto.

CHAPTER II: COMMITMENTS OF THE PARTIES

Article 3: Commitments of the tax administratin

This Memorandum of Understanding covers all acts relating to economic life which affect the tax and administrative situation of their authors.
To this end, the Tax Administration undertakes to provide the following facilities to the taxpayers concerned:

- ➢ the provision to the integrated tax partner of all updated legislative and regulatory texts and all publications useful for the understanding of the Cameroonian tax system by taxpayers;
- ➢ the establishment of a permanent monthly consultation framework. However, in matters of proven urgency, beneficiary taxpayers may refer to the referent designated by the tax administration at any time;
- ➢ guaranteeing the diligent resolution of difficulties brought to its attention by the integrated tax partner in the following areas

- information on taxpayers' tax obligations: through workshops to raise awareness of the tax regime for the sector concerned, including awareness of the incentive schemes and other benefits provided for in the economic promotion measures;
- Registration: through assistance with online registration and issuing of the registration certificate via formally designated focal points;
- tax returns: through assisted management of tax return incidents;
- Tax control: through the privileged use of the compliance dialogue to settle cases of underreporting;
- recovery of tax arrears: by waiving the application of certain exceptional recovery measures such as the closure of establishments or the freezing of accounts;
- tax litigation: by strengthening the transitional dispute resolution procedure;
- VAT credit reimbursement: through capacity building of beneficiary taxpayers to access the green channel for VAT credit reimbursement;
- remission of penalties: through the application of penalties in principle to beneficiary taxpayers on the occasion of tax reminders made in the framework of procedures excluding tax fraud;
- real-time production of their tax documents (Tax clearance certificate (TCC); respite of payment; receipt of payment): through assistance in the edition of the said documents (setting up of kiosks; appointment of dedicated staff and other facilities).

- ➢ Logistical support for the integrated tax partner for awareness-raising, training and possibly census operations carried out at its initiative;
- ➢ The assistance and support of the integrated tax partner in the procedures for the creation and formalisation of beneficiary taxpayers;
- ➢ The establishment of an email address and a telephone line for the denunciation of acts of any kind contrary to the spirit of this protocol.

Article 4: Commitments of the integrated tax partner

For its part, the **integrated fiscal partner**, representing operators in the sector/sub-sector of,
undertakes to carry out the following actions:

Provide a list of beneficiary taxpayers, including their unique identification number (UIN), their location, their telephone number, their area of activity, their supply chain, the amount of their tax payments

- ➢ Provide a list of all stakeholders in the sector, distinguishing between those who adhere to this Protocol and those who have difficulty adhering to it;
- ➢ To take on board proposals from beneficiary taxpayers to improve the legislative and regulatory framework for doing business in their sector/sub-sector;
- ➢ Conduct awareness campaigns among taxpayers in the said sector of activity with a view to their census, their full registration and the regular fulfilment of their reporting and payment obligations;
- ➢ To provide reliable information on the activities of the beneficiary taxpayers quarterly according to the model contained in the special clauses annexed to this protocol;
- ➢ To carry out the following tasks, the precise terms of which are set out in the special clauses annexed to this protocol, in relation:

- *<u>Information on taxpayers' tax obligations</u>: ensure the effective participation of all beneficiary taxpayers in outreach and awareness campaigns organised in synergy with the tax administration;*
- *<u>Registration</u>: ensure that all beneficiary taxpayers are registered;*
- *<u>Tax declarations</u>: ensure strict compliance with tax declaration obligations by all beneficiary taxpayers and report to the tax authorities monthly on any declaration incidents identified;*
- *<u>Tax payment</u>: ensuring that taxes due by beneficiary taxpayers are paid on time;*
- *<u>Tax audit</u>: commit beneficiary taxpayers to effective participation in the compliance dialogue initiated by the tax administration to benefit from the exemption from tax audit;*
- *<u>Recovery of tax arrears</u>: ensure the progressive clearance of outstanding tax arrears of beneficiary taxpayers, a substantial condition for the benefit of the application of penalties in principle;*
- *<u>Tax litigation</u>: ensuring that beneficiary taxpayers adhere to the compromise procedure for resolving disputes;*
- *<u>Reimbursement of VAT credits</u>: ensure the effective participation of the beneficiary taxpayers concerned in the capacity-building operations conducted by the tax administration for access to the green circuit of VAT credit reimbursement;*
- *<u>Remission of penalties</u>: ensure that the tax administration applies only principled penalties when issuing tax reminders in the context of procedures excluding tax fraud;*
- *<u>Production in real time of their tax documents (tax clearance certificate (TCC), deferment of payment, payment receipts)</u>: ensure that the taxpayers benefiting from the facilities put in place by the tax authorities use them.*

<u>CHAPTER III</u>: THE <u>METHODOLOGY USED</u>

<u>Article 5</u>: Methods to be implemented

For the proper execution of the reciprocal commitments of the parties to this protocol, the following tools are mobilised:

a) Information and awareness-raising: this is done by making documentary elements available (legislative and regulatory texts, various publications, teaching aids, etc.), the one hand, and local campaigns to make them aware of their rights and obligations and to popularise tax matters, on the other.

b) Training: where necessary, specific training is provided to beneficiary taxpayers on particular topics that require more in-depth work, including developments in tax policy or tax administration.

c) Assistance and support: compliance with several obligations by beneficiary taxpayers, as well as their access to the benefits provided by the applicable legislation, may require specialised assistance and support from the tax authorities. This consists of the provision of a service and/or facility by the tax administration that enables the beneficiary taxpayers to easily fulfil an obligation or take advantage of a tax benefit.

d) Incentives: to ensure that the greatest possible number of taxpayers in the sector/sub-sector adhere to the incentives of this protocol, numerous advantages derogating from ordinary law are provided. These are incentives guaranteed by the tax authorities for the duration of the protocol.

CHAPTER IV: MISCELLANEOUS AND FINAL PROVISIONS

ARTICLE 6: Covering the costs of the operation

The costs associated with the implementation of the operations relating to this Memorandum of Understanding shall be borne by the IRC...

Article 7: Duration

This Memorandum of Understanding is established for a period of three (03) years, expressly renewable by mutual agreement.

Article 8: Evaluation

To ensure the proper execution of the parties' reciprocal commitments, joint evaluations will be carried out quarterly. The reports of the said evaluations shall be sent to the Director General of Taxes and, as necessary, to the Governors of the regions and the Decentralised Territorial Communities.

Article 9: Force majeure

Neither party shall be liable for any failure or delay in the performance of its obligations under this Memorandum if such failure or delay is due to force majeure.

Article 10: Settlement of disputes

In the event of a dispute, an amicable solution is preferred within the framework of the Regional Committee. Failing that, the dispute is submitted to the arbitration of the Director General of Taxes and, if the dispute persists, to the Minister in charge of finance.

Article 11: Language

This Memorandum of Understanding is drawn up in four (04) original copies, two (02) of which are in French and two (02) in English.

Article 12: Entry into force

This Memorandum of Understanding shall enter into force upon signature by the parties.

Done at ....

For the tax authorities **For the sector/sub-sector/association of...**

SPECIAL CLAUSES

SUMMARY

SECTION 1: GENERAL INDICATIONS AND OBJECTIVES

SECTION 2: PROVISION OF RESOURCES

SECTION 1
GENERAL INDICATIONS AND OBJECTIVES

1 - The purpose of the protocol

The Memorandum of Understanding between the Tax Administration and the Integrated Tax Partner aims at strengthening the ownership of the beneficiary taxpayers, to ensure the improvement of tax compliance and the business climate in the sector/sub-sector of .....

2 - Description of the reference situation

⇒ **For the tax authorities**

The data available in the books of the Tax Administration (CRI...............................) concerning the taxpayers of the sector/sub-sector are as follows in the table below

Wording	Baseline situation
Number of registered taxpayers	
The average rate of reporting on time	
Average monthly payment	
The average rate of payment on time	
Average annual payments	
Number of taxpayers whose quarterly activity information was provided to the tax authorities	
Number of tax audits	
Number of disputes	
Amount of outstanding debts	
Number of enforced recovery procedures	
Number of taxpayers who are CGA members	

3 ⇒ **For the integrated tax partner**

4 .... The data available in the sector/sub-sector.. concerning relations with the tax authorities are as follows:

Wording	**Baseline on**
Total number of stakeholders in the sector/sub-sector	
Number of sector/sub-sector stakeholders adhering to the protocol	
Number of proposals to improve the legislative and regulatory framework for the sector/sub-sector	
Number of registration campaigns for sector/sub-sector stakeholders	
Number of awareness campaigns for sector/sub-sector stakeholders	
Number of training campaigns for sector/sub-sector stakeholders	
Training rate of taxpayers in the sector/sub-sector	
Number of kiosks available for the execution of tax obligations and the issuing of tax documents	

5 - <u>Targets to be achieved</u>

The targets to be reached are defined, by agreement between the parties, on an annual basis.

6 ⇒ **For the tax administration**

To benefit fully from the advantages of this protocol, the Integrated Tax Partner undertakes to achieve, according to the deadlines, the objectives defined in the following table:

Wording	**Milestones in the implementation of the protocol**			
	1ère year	**1er quarter**	**2e quarter**	
Number of registered taxpayers				
Rate of adherence to the Memorandum of Understanding by stakeholders in the sector				
The average rate of reporting on time				
Average monthly payments				
The average rate of payment on time				
Average annual payments				
Number of taxpayers whose				
Information on quarterly activity was provided to the tax authorities				
Number of tax audits				
Number of disputes				
Amount of outstanding debts				
Number of enforced recovery procedures				
Number of taxpayers who are CGA members				

⇒ **For the integrated tax partner**

To ensure that the beneficiary taxpayers fully comply with the commitments made under this Protocol, the Tax Administration shall make every effort to achieve the targets set out in the table below:

Wording	**The value obtained at the end of the periods in the**

	framework of the implementation of the protocol	
	1er year	**Of which 1er trimester**
Number of proposals to improve the legislative and regulatory framework for the sector/sub-sector taken into account		
Number of registration campaigns for sector/sub-sector stakeholders		
Number of awareness campaigns for sector/sub-sector stakeholders		
Number of training campaigns for sector/sub-sector stakeholders		
Rate of formalisation of sector/sub-sector taxpayers		
Number of kiosks available for the execution of tax obligations and the issuing of tax documents		

Section 2 PROVISION OF RESOURCES

1 - Taking charge of operations

As indicated in Article 4 of this Protocol, the costs related to the implementation of all the operations shall be borne by the Tax Administration. These costs include awareness-raising and dissemination, training, assistance and support for the beneficiary taxpayers.

2 - The status of the integrated tax partner

The missions of the integrated tax partner are free of charge. As such, no remuneration or profit-sharing is due to the latter, for any reason whatsoever: neither before, nor during, nor at the end of the exercise of its missions; whether or not the latter are successfully carried out. However, the charges incurred in the context of the implementation of this protocol remain, as recalled in the previous paragraph, the responsibility of the tax administration.

<u>Appendix 3</u>.- New rates of the stamp

a. <u>Passport and visa stamps (foreign passport visas)</u>

Type	Former rate	New rates
Entry visa	50 000	**100 000**
Single entry and return visa	50 000	**100 000**
Multiple entry/exit visa valid for 0-6 months [normal]	50,000 (3 months)	**100 000**
Multiple entry/exit visa valid for 0-6 months [express]	100,000 (6 months)	**150 000**
Visa for multiple entries and exits valid for more than 6 months [normal].	Not applicable	**150 000**
Visa for several entries and exits valid for more than 6 months [Express].	100,000 (12 months)	**200 000**

b. <u>Residence card</u>

Designation	Former tariffs	New tariffs
residence permits issued to students	30 000	**50 000**
residence permits issued to foreign workers under contract with the State or a local authority and unemployed spouses	60 000	**75 000**
residence permits issued to nationals of African countries and their renewal ;	120 000	**150 000**
residence cards issued to non-African nationals and their renewal.	250 000	**300 000**

c. <u>Resident Card</u>

Designation	Former tariffs	New tariffs
residence cards issued to members of duly recognised religious congregations, unemployed spouses or dependent minor children of expatriates and expatriate wives of Cameroonians when these family members retain their original nationality	60 000	**75 000**
residence cards issued to nationals of African countries;	250 000	**300 000**
residence cards issued to non-African nationals.	700 000	**750 000**

d. **Driving licence**

Designation	Old tariff	New tariff
National driving licences and their duplicates	5 000	**10 000**
Certificates of competence for driving certain urban vehicles	5 000	**10 000**

e. **Permits to carry weapons**

Designation	Old tariff	New tariff
Firearms licences, their duplicates and renewals.	20 000	**100 000**

f. **Hunting licences and similar activities**

Small game licence		
Game birds	Category A: (Nationals)	25,000 to **100,000**
	Category B: (Resident foreigners)	50 000 to **150 000**
	Category C: (Tourists)	80,000 to **200,000**
Hairy game	Category A: (Nationals)	35,000 to **100,000**
	Category B: (Resident foreigners)	80,000 to **200,000**
	Category C: (Tourists)	100,000 to **300,000**
Medium hunting licence	Category A: (Nationals)	50 000 to **150 000**
	Category B: (Resident foreigners) :	120,000 to **300,000**
	Category C: (Tourists)	160,000 to **400,000**
Sporting licence for big game hunting	Category A: (Nationals)	100,000 to **300,000**
	Category B: (Resident foreigners)	120,000 to **350,000**
	Category C: (Tourists)	250 000 to **500 000**

Capture permit		
Permits for commercial capture of non-protected animals	Category A: (Nationals)	1 000 000 to **3 000 000**
	Category B: (Resident foreigners)	1,500,000 to **4,000,000**
Permits for the scientific capture of non-protected animals	Category A: (Nationals)	100,000 to **300,000**
	Category B: (Resident foreigners)	100,000 to **350,000**
	Category C: (Tourists)	100,000 to **400,000**
Collection Permit		
Permit fees for the collection of remains and animals	Classes B and C for nationals only	100,000 to **300,000**
Fee for the collection of hides and skins	Varan	1,000 to **25,000**
	Python	5,000 to **50,000**
Flat rate tax	Other products	15,000 to **75,000**
Research permits	For scientific purposes	100,000 to **100,000**
Licence	game farming and game ranching	50,000 to **300,000**
Hunting guide licence		
Hunting guide licence holder	Category A (Nationals)	400 000 à **1 000 000**
	Category B (Resident Aliens)	1 300 000 to **3 000 000**
Assistant hunting guide licence.	Category A (Nationals)	200 000 to **500 000**
	Category B (Resident Aliens)	600 000 to **1 500 000**
Photographic hunting licence	Amateur photographer	50,000 to **100,000**
	Photographer	100,000 to **300,000**
	Amateur filmmaker	200 000 to **500 000**
	Professional filmmaker	500,000 to **750,000**

a. **The bill of lading stamp**

Old tariff	New tariff
15 000	**25 000**

b. **Certificates of registration of machines subject to the tax on games of chance and entertainment, as well as duplicates thereof**

Old tariff	New tariff
1 000	**25 000**

MINISTRY OF FINANCE MINISTRY OF FINANCE

GENERAL TAX DIRECTORATE

DIRECTORATE GENERAL OF TAXATION

REGIONAL TAX CENTRE OF (please specify)
(COMPANY TO WHICH THE TAXPAYER BELONGS)

NO. /MINFI/DGI/CRI ....

7 **<u>Appendix 4</u> - Compliance dialogue report**

REPORT

Acknowledgement of the end of the compliance dialogue procedure

8 The year, on___of the month, a meeting was held at ___________________________ (specify the tax structure to which you are attached), under the provisions of Article L 22 ter of the General Tax Code, to close the compliance dialogue procedure between :

Mr/Ms____(specify the name, grade, function, structure) representing the (Tax Centre of)_________,

And

Mrs/Mr____(specify name, function, structure) representing the company ____________________________________.

On the agenda was the adoption of conclusions following the contradictory exchanges held between the two (02) parties concerning the insufficiencies/omissions noted below in the declarations of the company ________________________, for the period. At the end of the work, it is decided :

For the administration, that ____(show the shortcomings).

For the company____________________________that ____(show the taxpayer's position).

Consequently, the company_ undertakes to make a supplementary declaration for the period in question without delay, as well as to immediately pay the amount of taxes evaded, which amounts to the sum of FCFA_______.

From the above, the present report, a copy of which is given to each of the parties, is established for all intents and purposes.

Done in_____________the _

<u>For the company</u>

<u>For the tax office :</u>

MINISTRY OF FINANCE MINISTRY OF FINANCE

GENERAL TAX DIRECTORATE

DIRECTORATE GENERAL OF TAXATION

REGIONAL TAX CENTRE OF (please specify)
(COMPANY TO WHICH THE TAXPAYER BELONGS)

NO. /MINFI/DGI/CRI ....

REPORT

Acknowledgement of the end of the compliance dialogue procedure

1 In the year_ , on___________of the month of __________________________, a meeting was held at _____________________(specify the tax structure), by the provisions of Article L 22 ter of the General Tax Code, to close the compliance dialogue procedure between :
Mrs/Mr______________________________________(specify the name, grade, function, structure) representing the Tax Centre of________,
And
Mrs/Mr________________________________(specify name, function, structure) representing the company _____________________________.
On the agenda was the adoption of the conclusions following the contradictory exchanges held between
the two (02) parties concerning the insufficiencies/omissions noted below in the declarations of the company____________________, for the period ________________________. At the end of the proceedings, it was decided__________________,:
For the administration, that ____(show the shortcomings).
For the company_____________________than __________________________________(show the tax payers position).
The administration takes note of the non-acceptance of its observations by the company ____.
It, therefore, reserves the right, under the provisions of Article L22 ter of the General Tax Code, to propose the said company for audit programming if necessary.
From the above, this report, a copy of which is given to each of the parties, is drawn up for all intents and purposes.
Done in______________the _____________

For the company
:

For the tax office :

MINISTRY OF FINANCE. MINISTRY OF FINANCE

GENERAL TAX DIRECTORATE

DIRECTORATE GENERAL OF TAXATION

REGIONAL TAX CENTRE OF (please specify)

(COMPANY TO WHICH THE TAXPAYER BELONGS)

NO. /MINFI/DGI/CRI ....

Appendix 5 - Report of the facts relating to a criminal offence

Report of the facts relating to a criminal offence

The year .... And the .... of the month of**................**

We Mr./Ms. **Grade** **Function** **Service**

In the context of a: ....

We have noted the following actions, which constitute tax offences within the meaning of the provisions of sections L 107 et seq. of the General Tax Code:

Nature of the offences	**taxes**	**Amount**
failure to :		
attempted evasion:		
or partial payment of taxes.		
lim		
Omission:		
passing an accounting entry		

These offences were recorded at:

~~**Name of the entity**~~	~~**TIN**~~	~~**Centre**~~	~~**Activity**~~	~~**Amount of debts**~~

Are attributed to :

Mr./Ms.	**Structure**	**Function**	**Respondent's reservations**

The following shall incure :

Legal sanctions	**Mitigating measures**	**Proposed decisions**

In witness whereof, this report has been drafted, signed and proposed by :

1.1.1.1 *The head of the team The head of service*

Appendix 5 ***- Report of the facts relating to a criminal offence***

Report of the facts relating to a criminal offence

2 The year .... And the .... of the month of...............

We Mr./Ms. **Grade** **Function** **Service**

In the context of a: ....

We have noted the following actions, which constitute tax offences within the meaning of the provisions of sections L 107 et seq. of the General Tax Code:

Nature of the offences	**taxes**	**Amount**
failure to :		
attempted evasion:		
or partial payment of taxes.		
lim		
Omission:		
passing an accounting entry		

These offences were recorded at :

Name of the entity **TIN** **Centre** **Activity** **Amount of debts**

Are attributed to :

Mr./Ms. **Structure** **Function** **Respondent's reservations**

The following shall incure :

Legal sanctions **Mitigating measures** **Proposed decisions**

In witness whereof, this report has been drafted, signed and proposed by :

3 **The head of the team The head of service**

CIRCULAR N° 008 /MINFI/DGI/LRI/L of 02 March 2026
Specifying the modalities of application of the tax provisions of Law No. 2025/013 of December 17, 2025 on the Finance Law of the Republic of Cameroon for the financial year 2026

The Director General of Taxation

To

- **The Head of the Inspectorate of the Tax Services;**
- **Ladies and Gentlemen Directors and equivalent;**
- **Heads of Regional Tax Centers;**
- **Ladies and Gentlemen Deputy Directors and equivalent;**
- **Ladies and Gentlemen Heads of Departments and equivalent.**

This circular specifies the terms and conditions for the application of the new tax provisions resulting from Law No. 2025/012 of 17 December 2025 on the Finance Law of the Republic of Cameroon for the financial year 2026.

These provisions are in line with the priorities set by the Head of State in the circular on the preparation of the budget for the 2026 financial year. They are also the result of the consolidation and transposition, within the General Tax Code, of the provisions of Law No. 2024/020 of 23 December 2024 on local taxation.

They aim to improve the business climate, support local production and import-substitution, broaden the tax base, secure state revenues, strengthen tax compliance, and intensify the fight against tax fraud and evasion.

In total, the amendments to the tax legislation in force made by the 2026 Finance Act relate to the provisions relating to:

- Corporate income tax and personal income tax;
- incentives;
- Value Added Tax and Excise Duties;
- specific taxes;
- tax procedures;
- local taxation.

- **PROVISIONS RELATING TO CORPORATE INCOME TAX (CIT) AND PERSONAL INCOME TAX (PIT)**

o **SECTION 5 BIS (2-3). Clarification of the concept of a full business cycle**

▪ **General information and reminder of the previous situation**

The corporate income tax system in Cameroon is based, in the first place, on a criterion of territorial connection by residence, assessed with regard to the registered office, the place of effective management, the existence of a permanent establishment or the presence of a dependent representative.

The Finance Law for the 2015 financial year supplemented this mechanism with a criterion of attachment, based on the carrying out in Cameroon of operations constituting a complete commercial cycle, in order to understand the results of companies whose headquarters or effective management is located outside Cameroon when they carry out, without permanent establishment or lasting material presence, a chain of economic operations generating profits.

Until the entry into force of the 2026 Finance Act, the definition of this concept was based exclusively on a doctrinal basis. Circular No. 004/MINFI/DGI/LRI/L of 28 January 2015 attempted to define its contours by specifying that " the complete commercial cycle is materialised by the presence of a series of commercial, industrial or artisanal operations directed towards a specific purpose and which together form a coherent whole ".

However, changes in practices (fragmentation of value chains, increased use of service providers and intermediaries, growth in digital activities) have revealed uncertainties about the delineation of the cycle and its articulation with the other criteria of territoriality.

Contributions of the 2026 Finance Law: legal consecration and extension

The Finance Act for the 2026 financial year consolidates the concept by defining it in law. Pursuant to paragraph (2) of Section 5 bis of the General Tax Code, the results of companies that do not meet the residency conditions are taxable in Cameroon when they carry out, directly or through third parties, an activity constituting a complete business cycle. The 2026 Finance Law defines the complete trade cycle as a coherent set of economic operations carried out on the national territory, forming an autonomous process of purchasing or producing goods or services, followed by their resale, likely to generate a taxable profit.

Full Business Cycle Qualification is not subject to the duration of the intervention or to the existence of fixed installations. It applies as soon as the sequence of operations located in Cameroon reveals an autonomous process of value creation.

Paragraph (3) of Section 5 bis of the General Tax Code extends the application of the full business cycle criterion to operations carried out abroad by a company established in Cameroon, when these are not detachable, by their purpose or their mode of execution, from operations carried out on the national territory. This extension aims to ensure the attachment to Cameroon of the results corresponding to an economic activity whose centre of gravity remains national.

Assessment guidelines: autonomous process and inseparability

For the application of the criterion of the complete commercial cycle, the services will characterize the autonomous process in the light of objective elements establishing a coherent sequence of operations located in Cameroon (prospecting, order taking, performance of service, delivery, collection), including when all or part of these operations are carried out by third parties.

In application of these criteria, and specifically with regard to sales operations, the entire commercial cycle is characterized by the carrying out of transactions involving the

purchase of goods followed by their resale in the territory. Taxation is due as soon as the goods are delivered to Cameroon, materializing the completion of the cycle, even if the foreign company does not have permanent storage premises (direct delivery to the final customer or via a non-exclusive distributor).
For the purposes of paragraph (3), the non-severable (inseparable) nature of transactions carried out abroad is assessed in the light of a set of indicia, in particular:
the direct extension of operations carried out in Cameroon or which conditions their execution;
the absence of economic autonomy specific to the foreigner, when the entity or operation concerned does not have, outside Cameroon, a distinct organization, means, decision-making power or operational capacity, all essential functions remaining located in Cameroon;
the uniqueness of treasury, management or staff with the Cameroonian entity;
participation in a single chain of operations whose centre of gravity is located in Cameroon.
Illustration
Hypothesis
The company CAMENERGIE S.A., established in Cameroon, is engaged in the supply of solar equipment exclusively for the Cameroonian market.
contracts are negotiated and concluded in Cameroon;
prices are set in Cameroon;
the instalments are cashed into accounts opened in Cameroon;
commercial follow-up and after-sales service are provided from Cameroon.
In order to organize its supplies, the company has set up a foreign affiliate, CAMENERGIE Trading Ltd, in charge of:
Purchase equipment from Asian suppliers.
issuing purchase invoices;
to organize the shipment of goods to Cameroon.
The foreign entity does not have its own customer base, does not assume separate commercial risks, and acts in accordance with the instructions of the Cameroonian company.
Analysis
In accordance with Section 5 bis (3) of the General Tax Code resulting from the 2026 Finance Law, operations carried out abroad by a company established in Cameroon are attached to the national base when they are not separable from operations carried out in the territory.
In this case:
strategic and commercial functions are carried out in Cameroon;
customers are located in Cameroon;
the foreign entity does not have its own economic autonomy;
operations carried out abroad constitute an integrated stage of a unique economic process centred on Cameroon.
Solution
Purchasing and logistics operations carried out abroad are considered to be inseparable from the activity carried out in Cameroon.
The corresponding results are linked to the tax base in Cameroon, notwithstanding the formal location of certain operations outside the territory.
Miscellaneous provisions
Full Business Cycle Qualification must be based on objective elements. The services may be based on the following documents: contracts, purchase orders, invoices, proof of

collection, logistics and customs documents, subcontracting agreements, commercial correspondence, etc.

When a resident company claims that a transaction carried out abroad is severable, it must produce any evidence capable of establishing the autonomy of the foreign operation (separate accounts, location elements, etc.).

In the event of insufficient evidence, the services are justified in linking the transactions in question to the results of the resident company, which are part of a complete commercial cycle carried out in Cameroon.

Entry into force

Clarification of the concept of a full trade cycle, this measure applies to the determination of the taxable result for the financial year ended 31 December 2025, for which the statistical and tax returns (DSF) are due from 1 January 2026.

SECTIONS 5A (1), 5B, 7A, 17C, 21(1-F) AND 23A.- Liability to corporate income tax for non-resident companies in the digital sector with a significant economic presence in Cameroon

The Finance Act for the 2026 financial year introduces, for digital activities carried out without a physical presence on the national territory, a criterion for corporate tax liability based on significant economic presence. This criterion complements the traditional territoriality criteria referred to in Section 5 bis of the General Tax Code.

Consequently, among the activities deemed to be operated in Cameroon within the meaning of Section 5 bis (1) of the General Tax Code, there are now those carried out by non-resident companies that can justify a significant economic presence on Cameroonian territory.

Scope of application (Section 5 ter of the General Tax Code)

The companies concerned

The provisions of Section 5 ter of the General Tax Code apply to non-resident companies that provide digital services to customers or users located in Cameroon, or that derive revenue from a dematerialized interaction with the Cameroonian market, without necessarily having a permanent physical establishment there.

Criteria for liability: nexus rule (Section 5 ter (1) of the French Tax Code)

A non-resident company is deemed to have a significant economic presence in Cameroon when it maintains a dematerialized connection with the national territory, characterized by the crossing, in respect of a tax year, of one of the following thresholds:

the total amount of gross remuneration invoiced or paid in return for the provision of digital services to customers or users located in Cameroon exceeds 50,000,000 CFA francs per year.

It should be noted that the assessment of the threshold referred to in Section 5 ter (1-a) takes into account all invoicing or payments made by or on behalf of Cameroonian residents, including those made through third parties.

Illustration

A resident customer pays the subscription fee for a digital service (Netflix package) through a payment aggregator (Mobile Money, Fintech, etc.). This payment is taken into account for the assessment of the threshold for corporate income tax, as long as it remunerates a service provided to a customer or user located in Cameroon;

the number of users, customers or account holders located in Cameroon exceeds 1,000.

The location of the customer or user in Cameroon is determined by technical (IP addresses, geolocation, country code, SIM, etc.) or commercial (billing address, Cameroonian bank information) indicators establishing the effective use of the service on Cameroonian territory.

As the above connection criteria are alternative, the crossing of one of the thresholds is

sufficient to characterize the significant economic presence and, consequently, the liability to corporate income tax in Cameroon in respect of the digital income concerned.
Illustration
A non-resident company with a digital service activity, achieves in the year N a turnover excluding taxes invoiced to customers located in Cameroon for 58,000,000 FCFA. It therefore crosses the threshold provided for in Section 5 ter (1-a) and is deemed to have a significant economic presence.
Similarly, a company with 1,300 account holders located in Cameroon crosses the threshold provided for in Section 5 ter (1-b), and becomes taxable even if the total amount of its turnover in Cameroon is less than 50,000,000 CFA francs.

The digital services concerned (Section 5b (2))
The concept of digital services includes, but is not limited to:
the provision of on-demand digital content (streaming, downloading, online games, subscriptions, etc.);
online advertising services, monetization of customer or user data, and other similar services;
intermediation services for the benefit of electronic marketplaces (commission fees);
cloud computing, data hosting and software as a service services;
any other provision of services rendered or facilitated through an electronic network or a digital application.
Methods for determining the tax base and assessing the tax
The legislator establishes a dual mechanism for determining the tax based, on the one hand, on a flat-rate regime in principle and, on the other hand, on an actual regime exercised on an optional basis under strictly regulated conditions.
Principle regime: flat-rate taxation (Section 17 quarter (1 and 2))
Under the principle regime, corporate tax is assessed at a rate of three per cent (3%) to the total amount of gross income excluding taxes earned on Cameroonian territory by the non-resident company.
The tax thus calculated constitutes the minimum collection and is discharging and definitive in Cameroon in respect of the income concerned.
Illustration (Flat-rate regime in principle)
A foreign streaming company has a turnover of 50,000,000 CFA francs excluding taxes from customers located in Cameroon.
Tax rate: 3%
Taxable base: 50,000,000 CFA francs (gross income)
Liquidation of corporate tax (principal): 50,000,000 CFA francs × 3% = 1,500,000 CFA francs
Additional communal centimes (CAC): 1,500,000 CFA francs × 10% = 150,000 CFA francs
Total due: 1,650,000 CFA francs
The option for actual taxation (Section 17c (3 and 4))
By way of derogation from the flat-rate regime, the companies concerned may opt for the determination of their profit in accordance with the rules of ordinary law.
For companies that have exercised this option, the corporate tax is liquidated by the application of the ordinary law rate of thirty percent (30%). This rate applies to a taxable profit set at a flat rate of ten percent (10%) of the gross amount of pre-tax income generated in Cameroon, in accordance with Section 7 bis of the General Tax Code.
In addition to this main tax, there are the Centimes Additionnels Communaux (CAC) paid at the rate of 10% of the CIT due.

Illustration (Optional Real Regime)
For a streaming platform with a turnover excluding taxes of 18,000,000 CFA francs :
Tax rate: 30%
Taxable base (10% of gross turnover): 18,000,000 × 10% = 1,800,000 CFA francs
Liquidation of corporate tax: 1,800,000 × 30% = 540,000 CFA francs
Calculation of the CAC: 540,000 × 10% = 54,000 CFA francs
Total to be paid: 594,000 CFA francs
The validity of the option for actual taxation is subject to cumulative compliance with the following three conditions:
prior notification: in accordance with the provisions of Section 17 quarter (4) of the French Tax Code, the option for actual taxation is exercised before the beginning of the tax year.
By way of derogation, in respect of the first year of application of the measure, the option shall be deemed to have been duly exercised when the written notification is made by 15 March 2026 at the latest.
temporary irrevocability: the option binds the taxpayer for an incompressible period of five (5) fiscal years;
Preparation of transfer pricing documentation : The company must include complete documentation with its annual return to demonstrate that its results meet the arm's length principle.
Similarly, it is recalled that the option for the actual regime cannot have the effect of eroding the tax base below a minimum threshold. To that end, the amount of tax payable under the actual regime may not, in any case, be less than that resulting from the application of the rate of 3% of turnover excluding tax, which constitutes the minimum amount of collection that is inviolable.
Reporting and payment obligations (Sections 21 (1-f) and 23 bis)
The obligation to assess, declare and pay the tax falls on the non-resident taxable company in respect of its significant economic presence. As such, the latter is required to submit, by electronic means, a monthly declaration tracing the turnover achieved on Cameroonian territory for the digital services concerned.
Corporate income tax payable by non-resident companies in the digital sector is paid in accordance with the following procedures, depending on the applicable tax regime.
Payment of a monthly deposit (Section 21 of the General Tax Code)
Non-resident companies covered by Section 5 ter of the General Tax Code are required to pay a monthly advance payment calculated at the rate of 3%, based on the pre-tax turnover achieved in Cameroon for digital services.
Payment of the balance of the tax: distinction according to the tax system
The tax treatment at the end of the financial year differs depending on the method of determining the base chosen by the non-resident company:
For companies subject to the flat-rate regime : the monthly instalments paid at the rate of 3% constitute the minimum collection of corporate income tax. As such, they do not give rise to liquidation or payment of a balance;
For companies that have opted for the real tax regime : corporate income tax is assessed on the basis of the tax result determined in accordance with the rules of ordinary law. The balance of the tax is paid after deduction of the monthly instalments paid, under the conditions set out in Section 23 bis of the General Tax Code.
Companies that have exercised the option for the actual regime are also required to submit their Statistical and Fiscal Declaration (DSF) electronically, in accordance with the rules of ordinary law.
Practical implementation procedures
The services are required to carry out an inventory of operators in the digital sector likely

to cross the thresholds for liability, on the basis of available information, in particular that held by resident companies (contracts, invoices, proof of payment), the use of payment flows and, where applicable, the use of sectoral sources (MINPOSTEL, ANTIC, ART). When an operator is identified, it is invited to register and fulfil its reporting and payment obligations.

With this in mind, the file of non-resident digital companies, subject to VAT, as well as the existing registration and monitoring databases of the tax authorities, constitute the starting reference for the identification of the digital operators concerned. The services ensure that the file is regularly updated and consolidated, systematically integrating information from controls, declarations and third-party declarants.

The Division in charge of international tax relations is instructed to conduct the necessary due diligence for the registration of digital companies not yet known to the tax services, in particular by exploiting international administrative cooperation mechanisms, monitoring non-resident operators and, if necessary, engaging in useful exchanges with partner administrations and the platforms concerned, in accordance with the applicable cooperation agreements and instruments.

The Division in charge of investigations and the Unit in charge of monitoring ICTs at the Directorate of Large Enterprises are also instructed to work in close collaboration with the Telecommunications Regulatory Agency (ART), the National Agency for Information and Communication Technologies (ANTIC), as well as with mobile phone companies, for the purpose of collection, cross-checking and securing relevant information relating to operators and digital services, in strict compliance with the texts in force, for the purposes of identifying taxpayers, broadening the base and monitoring compliance with tax obligations.

Miscellaneous provisions

It is recalled that taxpayers resident in Cameroon remain required to withhold at source the special income tax (TSR) provided for in Sections 225 et seq. of the General Tax Code, when making payments to non-resident companies.

The special income tax thus retained remains chargeable under the conditions of ordinary law, regardless of the tax regime applicable to non-resident companies with a significant economic presence.

When the non-resident company is subject to corporate income tax in Cameroon pursuant to the provisions of Sections 5 ter, 7 bis and 17 quarter of the General Tax Code, the special income tax withheld at source constitutes a tax credit that can be set off against the corporate income tax due for the same financial year.

These provisions apply to transactions carried out as of 1 January 2026 and to the result for the financial year ended 31 December 2026 to be filed in 2027.

SECTION 7 (1-A-2) - Adjustment of the deductibility regime for rental charges relating to movable property

Under the previous legislation, the tax treatment of rents of movable property paid by a company to certain partners was part of an anti-abuse logic aimed at preventing indirect transfers of profits by increasing charges. In its application, this mechanism may have led to the rejection of those charges, even when the lease was economically justified and concluded under normal conditions.

With a view to rationalising this regime, the legislator replaces the previous logic of systematic exclusion (for partners with more than 10%), with a logic of capped deductibility in situations of effective control of the company.

The case of partners holding less than 25% of the capital

Where the lessor (shareholder) holds, directly or indirectly, less than 25% of the share capital, the rents paid in respect of the rental of movable property are fully deductible as

long as they meet the general conditions for deductibility, namely:
be exposed in the interest of the farm;
be effective and justified by a regular invoice;
There is no exaggeration over market prices.
Cases of partners holding at least 25% of the capital
The mechanism for capping the deductibility of rental charges applies when a partner holds, directly or through intermediaries (spouse, ascendants, descendants), at least 25% of the company's shares or shares.
For the assessment of the 25% threshold, account is taken of the direct and indirect holding of the capital. In particular, the following constitute indirect ownership:
holding through intermediary entities (companies, groups, holding companies, trusts or similar structures);
holding through intermediaries acting on behalf of the shareholder or under his control (proxies, nominees, etc.);
the cumulative ownership by the partner with his spouse, ascendants and descendants.
Illustration:
direct ownership: a partner A holds 26% of the capital of the lessor company. The lease granted by A to the company falls within the scope of the cap;
indirect ownership via an intermediary entity: partner A owns 60% of company H, which holds 40% of the capital of the lessor company. A's indirect ownership in the lessor company is 24% (60% × 40%). The cap does not apply (subject to any other direct or family ownership);
cumulative indirect ownership: if, in example b), A also owns 2% directly, the total ownership (24% + 2% = 26%) reaches the threshold; then the cap applies;
Holding via intermediaries: A owns 15% and his spouse 12%; the detention assessed according to the family interposition rule is 27%; The cap applies.
Material scope of the cap
The cap applies to rental charges other than those relating to buildings. The rental of movable property, in particular tangible property (industrial equipment, construction machinery, vehicles, computer equipment, etc.) and, where applicable, the rental of intangible movable property, when it is granted by the partner to the company, is therefore mainly concerned.
On the other hand, the rental of buildings (offices, warehouses, land, shops, etc.) granted by a partner remains governed by the general principle set out in the first paragraph of Section 7-A-2. As such, they are fully deductible, provided that there is no exaggeration in relation to the prices charged on the market.
The capping mechanism
When the above-mentioned conditions are met, the deductibility of rents (excluding buildings) is allowed within the limit of a ceiling set at 2.5% of the tax profit before deduction of the expenses in question.
The "tax profit before deduction of the costs in question" means the interim tax result, calculated after all other non-accounting adjustments, including the reintegration of the rents in question.
The portion of the rent exceeding the set ceiling must be reintegrated into the tax result and give rise to a reminder of corporate income tax (IS) and income tax on movable capital (IRCM), without prejudice to the penalties and interest for late payment provided for by tax legislation.
It is understood that, even with a ceiling, the deduction of rental charges remains subject to compliance with the usual conditions of deductibility, as recalled above, in particular the interest for the company, the reality and effectiveness of the charge, its link with the

operation, as well as the absence of exaggeration with regard to market prices.
Illustration
Mr. X is a 40% shareholder of the company "BTP-Cameroun". He rents a construction machine (movable) to the company for an annual rent of 10,000,000 CFA francs. The tax profit of the company, before the deduction of this specific rent, amounts to 100,000,000 CFA francs.
Calculation of the deductibility limit
The deduction limit is set at 2.5% of the intermediate tax profit.
Ceiling = 100,000,000 x 2.5% = 2,500,000 CFA francs.
Determination of the deductible amount and reinstatement
Deductible amount: 2,500,000 CFA francs.
Amount to be reinstated (rent paid minus Ceiling): 10,000,000 - 2,500,000 = 7,500,000 CFA francs.
The company will have to reintegrate 7,500,000 CFA francs into its tax result. This amount must be submitted to the CIT and the IRCM.
Operational Directives to Services
To ensure the strict application of these provisions and to prevent any risk of litigation, the are required to observe the following due diligences, in a logical order of verification:
Prior to any review of the amount of the rental charge, the services must ensure that the interest for the company and the material reality of the rental is real. The rental charge is only deductible if it corresponds to to the actual provision of an asset necessary for the operation. The services will systematically reject all rents In the following cases, regardless of the ceiling:
the leased property is not identified or does not physically exist in the company;
the property is of no use for the company's activity;
The property remains at the exclusive disposal of the partner (e.g. personal passenger vehicle invoiced to the company).
The departments must also reconstitute the percentage of actual ownership of the capital at the closing date of the tax year, systematically identifying indirect holdings and those of the family group (cumulation of shares) in order to assess whether the 25% threshold has been crossed.
The services will make sure to distinguish:
Real estate rentals, which remain deductible under the rules of ordinary law.
movable rentals, subject to the capping system.
Finally, it should be noted that compliance with the 2.5% ceiling does not exempt them from the need for a of the normal value. If the rent paid to the shareholder is manifestly higher than the prices charged for similar equipment, the tax authorities are justified in rejecting the exaggerated fraction on the basis of the abnormal act of management, even before the application of the ceiling.
Entry into force
These provisions apply to the determination of the taxable result for the financial year ended 31 December 2025.
SECTIONS 7 C AND 7 E- Receivables regime and provisions of microfinance institutions
Under the previous system, the deductibility of losses on receivables was subject, as a matter of principle, to the justification of the exhaustion of all the means of amicable or forced recovery. By way of an additional payment, an automatic deduction was allowed for debts of small amounts (less than five hundred thousand (500,000) CFA francs) fully provisioned for five (05) years.
The Finance Act for the 2026 financial year adjusts this regime to take into account the specificities of the microfinance sector. It proceeds:

on the one hand, the increase, for microfinance institutions, of the automatic deduction threshold from five hundred thousand (500,000) CFA francs to one million (1,000,000) CFA francs;

on the other hand, the extension to microfinance institutions of the mechanism for staggering the deduction of provisions for receivables and impaired liabilities, thus aligning their tax treatment with those of credit institutions, in particular banks.

It is specified that credit institutions remain subject to their specific threshold of three million (3,000,000) CFA francs, while other taxpayers (i.e. other than banks and credit institutions) remain subject to the common law threshold of five hundred thousand (500,000) CFA francs.

Implementing rules

Section 7 C: Treatment of losses on receivables

With the entry into force of the 2026 finance law, the losses on receivables of the MFIs are automatically allowed for deduction, without it being necessary to justify the exhaustion of recovery procedures, when the following two (02) cumulative conditions are met:

condition of amount: the debt is for an amount less than CFA francs 1,000,000;

Duration condition: The receivable has been provisioned for a minimum period of five (05) years.

The terms of application of this measure remain those specified by Circular No. 12/MINFI/DGI/LRI/L of July 13, 2022, giving instructions on the modalities of application of the tax provisions of Law No. 2021/026 of December 16, 2021 on the Finance Law of the Republic of Cameroon for the financial year 2022, in all its provisions not contrary to this circular.

Section 7 E: Treatment of provisions (spreading mechanism)

The Finance Law for the 2026 financial year was limited to extending the benefit of the provision averaging mechanism to microfinance institutions, without modifying the substantive rules. Consequently, the terms and conditions for the application of the spreading of provisions remain those specified by Circular No. 004/MINFI/DGI/LRI/L of February 24, 2016, on instructions relating to the modalities of application of the tax provisions of Law No. 2015/019 of December 21, 2015 on the Finance Law of the Republic of Cameroon for the financial year 2016, and by Circular No. 006/MINFI/DGI/LRI/L of February 21, 2020, Laying down instructions relating to the modalities of application of the tax provisions of Law No. 2019/023 of December 24, 2019 on the Finance Law of the Republic of Cameroon for the financial year 2020, in all their provisions not contrary to this Finance Law and this circular.

Entry into force

These provisions apply to the determination of the results for the year ended 31 December 2025.

SECTION 7-1-D- Alignment of the tax depreciation period of leased assets with the duration of the financing contract

Depreciation constitutes, for corporation tax purposes, a deductible expense provided that it is actually accounted for and calculated on the basis of the probable useful life as shown by the standards accepted for each type of operation, provided that the rates applied may not exceed those fixed by the regulations.

Until 31 December 2025, the assets made available under a leasing contract remained subject, for the determination of tax depreciation, to the rules of ordinary law based on the probable period of use, without taking into account the actual duration of the financing contract. This situation could generate a discrepancy between the economic reality of the financing operation and the rate of tax depreciation allowed.

The Finance Act for the 2026 financial year corrects this discrepancy by providing that, for assets subject to a leasing contract, the tax depreciation period is aligned with the duration of the financing contract.
Scope
The measure concerns assets subject to a leasing contract, understood as assets made available under a financing contract in return for the payment of rents, with an option to purchase at the end of the contract.
It applies regardless of the type of asset financed (materials, equipment, vehicles, installations, etc.), as long as the asset is covered by a contract qualified as leasing.
It should be noted that assets under operating lease contracts remain excluded from this regime and follow the rules of common law on depreciation, i.e. according to the duration of use as set by the CGI.
It is specified that the measure applies to both the lessee and the lessor.
Implementing rules
By way of derogation from the rule of depreciation according to the useful life, for assets subject to a leasing contract, the tax depreciation period is now equal to the duration of the financing contract as it results from the contractual stipulations.
It follows that the taxpayer determines the annual tax depreciation by spreading the depreciable base over the duration of the leasing contract, regardless of the probable period of use of the asset, which may be longer or shorter.

Illustration:

- Investment: 100,000,000 CFA franc industrial machine.
- Economic life (usage standard): 10 years (linear rate 10%).
- Financing method: 4-year lease.

▪ **Miscellaneous provisions**

Section	**Old regime (depreciation over useful life)**	**New regime (alignment with the contract)**	**Differential (tax impact)**
Payback period	10 years	4 years	6-year acceleration
Annual endowment	10,000,000 FCFA	25,000,000 FCFA	+ 15,000,000 FCFA of deductible expenses / year
Annual corporate tax savings (Base 33%)	3,300,000 FCFA	8,250,000 FCFA	+ 4,950,000 FCFA in tax savings / year
Accumulated over 4 years	40,000,000 FCFA	100,000,000 FCFA	+ 60,000,000 FCFA accelerated deduction

✓ **End-of-contract processing:**

1. If the purchase option is exercised: the property is recorded on the balance sheet for its residual value. If the asset has been fully depreciated over the duration of the contract, no additional allocation is allowed.
2. In the event that the option is not exercised: the depreciation applied remains vested,

subject to the reintegration of the net book value (NAV) for tax purposes when the property is removed.

- ✓ **Safeguard clause (abuse of rights):**

3. The tax authorities reserve the right to question, on the basis of the abnormal act of management, the depreciation periods resulting from contracts whose duration is manifestly artificial or unrelated to the economic reality of the financing.

4. This vigilance will be exercised in particular with regard to real estate that is the subject of leasing contracts for excessively short periods, concealing a desire to evade tax by unduly increasing deductible expenses.

- **Entry into force**

5. These provisions apply to depreciation and amortization recognised in respect of financial years ending on or after 31 December 2025.

- **<u>SECTION 18 QUARTER (4)</u>.- Strengthening the monitoring of companies approved for derogation regimes**

6. The rewriting of Section 18 quarter of the General Tax Code is based on a twofold imperative: to provide legal certainty for the procedures for establishing the corporate tax base and to strengthen the traceability of the tax advantages granted under incentive schemes.

7. In particular, the reform strengthens the system for controlling tax expenditure by introducing an obligation to compartmentalize the accounts for companies approved for derogatory or special regimes in order to ensure that activities under ordinary law are watertight and activities or operations benefiting from a preferential regime. particularly in the context of extension or diversification projects. It should be noted that only projects or operations expressly covered by the approval benefit from the incentives attached to it.

- **Scope**

8. The new provisions relating to the monitoring of approved companies apply to companies benefiting from a special or special tax regime, in particular:

- the investment incentive regime provided for by the Law of 18 April 2023 and Ordinance No. 2025/002 of 18 July 2025 establishing investment incentives in the Republic of Cameroon;
- the regime applicable to economically affected areas;
- the regime of public-private partnerships;
- the regimes provided for in the sectoral codes and other specific texts.

9. In practice, they apply to non-new approved companies, as well as to companies initially approved as new companies that subsequently develop activities or operations not covered by the approval, since a distinction must be made between the scope benefiting from the advantages and the operations covered by ordinary law.

- **Implementing rules**

10. When they are not new, old companies approved under a derogatory regime are required, for the entire period of validation of their approval:

- the keeping of separate accounts clearly tracing the transactions relating to the approved investment project;
- the filing of a Statistical and Fiscal Declaration specific to the said project, allowing the corresponding results to be isolated.

11. Companies ensure that the mixed costs (head office expenses, general management, shared services) are broken down justifiably between the different areas of activity. Any distribution key chosen for this purpose must be objective, traceable and documented.

12. In the absence of analytical accounting allowing a direct and probative allocation, the breakdown of common expenses is determined according to a rational key, in particular in proportion to turnover or personnel costs, except in cases where another key would be more appropriate in view of the nature of the expenses.

Illustration (breakdown of common expenses)

A company has a turnover of 800 million CFA francs for the historical activity (taxable) and 200 million CFA francs for the extension project (preferential regime). The head office costs amount to 100 million CFA francs.

The breakdown is made in proportion to the turnover (80% taxable). As a result, 80 million CFA francs are attributable to the taxable result and 20 million CFA francs are attached to the perimeter benefiting from the preferential regime.

1.6.3 Miscellaneous

13. For the application of these provisions, the services will systematically ensure that:

- verify the effective production of the summary declaration of the tax expenditure by the companies concerned and, where appropriate, to apply the penalties provided for by the legislation in force. To this end, the IT Division is invited to block the issuance of the tax compliance certificate when this obligation is not respected;
- ensure, for old approved companies, the effectiveness of the keeping of separate accounts and the filing of the specific Statistical and Fiscal Declaration, as well as the traceability of the entries and related supporting documents ;
- control the keys for the distribution of common expenses in order to prevent any undue transfer of expenses or income between the taxable area and the area benefiting from the preferential regime.

14. The structure responsible for derogatory or special tax regimes will ensure that the list of companies approved under the various regimes is kept up to date and made available regularly to the Information Technology Division for configuration, and to the operational services for follow-up, specifying for each of them the nature of the regime, the period of validity of the approval, the scope of the benefits granted and, where applicable, the identification of the investment project concerned.

15. These provisions apply to declarations made in respect of the financial year ended 31 December 2025.

- **SECTION 18 QUARTER (1-2).- Consecration of sectoral accounting standards**

16. As of January 1, 2026, the sectoral accounting frameworks applicable to certain categories of taxpayers are taken into account for the establishment of the DSF, in order to secure the determination of the taxable result and to prevent accounting rejections based solely on non-compliance with the OHADA accounting system, when the sectoral regulations impose a specific reference system.

17. The declaration of results remains, in principle, presented in accordance with the OHADA accounting system. However, for sectors governed by specific regulations, the law now expressly recognizes the tax validity of financial statements prepared in accordance with the accounting standards provided for in the applicable specific texts.

18. It is understood that the application of the specific standards does not exclude the application of the OHADA accounting system, which remains the common base.

19. The following are thus automatically admitted:

- the Inter-African Conference of Insurance Markets (CIMA) reference framework for insurance companies;
- the Central African Banking Commission (COBAC) reference framework for credit

and microfinance institutions.

20. It follows that the tax authorities cannot reject the accounts of a company on the sole ground of its non-compliance with the OHADA chart of accounts, as long as the company is legally required to apply a recognized sectoral reference framework and meets the obligations to produce the required documents.

21. The services will ensure that the financial statements are prepared in accordance with the applicable standard (OHADA, CIMA or COBAC) and that the mandatory documents are produced in the required forms and on time. The Information Technology Services Division will ensure that the DSF formats posted online take into account the new standards.

22. These provisions apply to declarations made in respect of the financial year ended 31 December 2025.

- **<u>SECTION 21.</u>- Extension of the scope of withholding tax to the digital and telephony sector**

23. Until 31 December 2025, the withholding tax system was limited to the purchase of tangible goods and proved to be unsuited to the complex structure of the telephony and digital sectors, characterised by strong intermediation and significant intangible flows.

24. The Finance Law for the 2026 financial year extends the scope of the withholding tax to purchases of goods and services made by distributors and partners of telephony, digital and similar services companies. The objective is to secure the tax owed by these intermediaries by apprehending it at source, while taking into account the specificity of their business model.

- **Scope**

25. The following are now subject to the collection of withholding tax:

- mobile phone companies;
- Internet service providers and digital operators;
- operators of similar services (Fintech, Mobile Money, etc.).

- **Procedures for application and determination of the basis of assessment**

A. Distinction according to the nature of the flows

26. For the purposes of the application of the withholding tax, a distinction must be made between two categories of transactions according to their economic nature and the method of remuneration of the distributor.

27. Concerning the first category, relating to the acquisition of tangible goods with transfer of ownership, in particular terminals, accessories, invoiced physical SIM cards and miscellaneous equipment, the taxable amount is constituted by the gross amount of the purchase invoice excluding taxes.

28. As regards the second category, relating to transactions for the supply of communication credit *(airtime)* or electronic money *(e-money)*, the taxable amount is constituted by the gross amount of the commissions allocated to the distributor.

B. Provisional liquidation (N-1 anteriority rule)

29. With regard specifically to transactions remunerated on commission, and in order to take account of the variability of remuneration rates during the year, telephone and digital companies settle the withholding tax on a provisional basis.

30. The theoretical commission for month M is determined by applying a reference commission rate to the volume of supply/activation transactions for the month.

31. For financial year N, telephony, digital and similar operators apply, as a reference rate, the commission rates in force for financial year N-1, unless there is a formalised contractual amendment brought to the attention of the services. Any adjustments are made during the year-end adjustment operations.

Illustration

In March, a telephone credit distributor carries out operations giving rise to a theoretical commission of 12,000,000 CFA francs (calculated on the basis of N-1 commissions).

- If the distributor is subject to the IGS: March withholding tax = 12,000,000 × 5% = 600,000 CFA francs, to be paid by 15 April at the latest by the telephone company.
- If it is real: March withholding tax = 12,000,000 × 2% = 240,000 CFA francs, to be paid by April 15 at the latest by the telephone company.

C. Mandatory annual adjustment

32. The required adjustment shall be made when the FSD for the financial year in question is filed, in accordance with the following procedures:

- the operator calculates the final amount of the commissions actually earned by the distributor for the year N;
- it compares the theoretical tax due on these actual commissions with the cumulative withholding tax paid during the year (on the basis of N-1).

33. The remainder is deducted from the balance of the end-of-year commissions or from the first payments of the year N+1. The excess is a tax credit for the distributor, chargeable against future withholding taxes.

Illustration

- Situation N-1: a distributor received an average commission of 5%;
- Fiscal year N (provisional): for a deposit of 100 million, the operator calculates a theoretical commission of 5 million and deducts the withholding tax on this basis;
- Year-end N (Actual): the distributor's actual performance entitles it to a 6% commission (i.e. 6 million);
- Regularisation: the operator must deduct the additional withholding tax on the difference in the base of 1 million.

▪ **Miscellaneous provisions**

34. Collection companies (operators) are required to:

- establish, keep up to date and attach, for each distributor, the detailed statement of commissions paid and taxes withheld, as an appendix to the tax returns relating to the repayment or deduction of withholding taxes, in accordance with the provisions of Section 22 of the General Tax Code;
- justify the N-1 commission rates used provisionally for the calculation of the withholding tax;
- present the annual regularisation statement during tax audits.

35. Finally, it is specified that the Finance Act for the 2026 financial year replaces the notion of "taxpayer card" with that of "belonging to the file of active taxpayers". For the determination of the withholding tax rate, whether reduced or increased, proof of membership in the file is now established by consulting the national file of active taxpayers held by the General Directorate of Taxes online.

▪ **Entry into force**

36. These provisions apply to transactions carried out from 1 January 2026.

o **SECTION 21A .- Payment of the monthly CIT advance payment of telephone companies on the basis of receipts**

37. In accordance with the provisions of Section 21 of the General Tax Code, the calculation of the monthly advance payment of corporate income tax (IS) for telephone companies was traditionally based on the turnover achieved, regardless of receipts staff.

38. As of 1 January 2026, Section 21 bis (new) of the General Tax Code provides that the monthly CIT instalments of companies in the telephony sector are to be settled on the basis of the receipts actually made during the month in question, thus aligning the basis for calculating the CIT advance payment with that of VAT.

- **Implementing rules**

A. Rule of principle: basis of the advance payment on receipts

39. By way of derogation from Section 21 of the General Tax Code, the monthly CIT advance due by telephone companies is settled and paid on the basis of receipts carried out during the month in question.

40. Understood as receipts realised, all sums actually received by the company during the month, regardless of the collection channel (direct payments, repayments by aggregators, mobile money, partners/third-party collectors, platforms, etc.), as long as they remunerate a taxable transaction falling within the scope of the activities concerned, regardless of the amount of the actual consumption of the service purchased.

<u>Illustration</u>

The telephone company HAYDAK Telecoms collects, in February 2026, an amount of three (3) billion CFA francs for its sales of communication credits. Only a share of 2.3 billion CFA francs is actually consumed by its subscribers.

- Basis of the February CIT instalment: 3 billion CFA francs.
- NB: as the due date of the advance payment is fixed at the time of collection, the performance of the service has no impact on the basis for calculating the advance payment.

B. Determination of the basis

41. The monthly base is made up of receipts gross for the month, before deduction contractual compensation or regularisation.

42. Companies must keep a breakdown of their receipts by offer categories and channels (prepaid, postpaid, data, digital services, wholesale, etc.), in order to allow control of a posteriori concordance.

43. Receipts are justified by bank statements, aggregator reconciliation statements, electronic money transaction reports, cash journals and collection situations.

C. Relationship with ordinary law and neutrality of the regime

44. It should be noted that this new regime does not modify either the rules for determining the annual result or the end-of-year reporting obligations. It adjusts the terms and conditions for collecting the monthly advance payment to align the tax burden with the cash flows of companies, without reducing the tax due for the financial year. Year-end adjustments continue to be made in accordance with ordinary law, on the basis of the accounting result (acquired receivables).

45. For example, for an annual turnover of 24 billion CFA francs, the advance payments will follow the curve of real flows. If the cumulative instalments are less than the final tax, the company pays a balance. The management services will ensure the concordance between the collections declared (corporate income tax and VAT)) and financial flows through banks, e-money or payment aggregators.

46. Any reduction or omission in collection will give rise to corrections and reminders, including through the pre-filled declaration procedure provided for in Section L 2 bis of the French Tax Code.

- **Entry into force**

47. These provisions apply to advance payments due in respect of transactions carried out from 1 January 2026 (declared and paid from February 2026).

- **<u>SECTION 42</u>.- Strengthening of the taxation of capital gains sale of shares, bonds and shareholdings of companies under Cameroonian law**

48. The Finance Act for the 2026 financial year completes the wording of Section 42 of the General Tax Code, with a view to consolidating the taxation, in respect of income from movable capital, of capital gains net income realized on the sale of shares, bonds and other shares in the capital of companies under Cameroonian law.

49. Three categories of operations are covered by the renovated scheme:

- **direct and indirect disposals within the scope of consolidation, carried out in Cameroon or abroad:** The new provision confirms taxation regardless of the place where the transaction is carried out, as long as the transfer relates, directly or indirectly, to securities of companies under Cameroonian law and is carried out between affiliated companies;
- **Indirect disposals beyond the scope of consolidation:** while the previous wording and administrative doctrine primarily targeted intra-group transactions carried out between foreign companies in the same scope of consolidation, the 2026 Finance Act now expressly extends the taxation:
  - transactions or series of transactions, including through intermediary entities, that have the effect of directly or indirectly transferring ownership or control a company holding assets located in Cameroon;
  - restructuring operations (mergers, divisions, partial contributions of assets or similar operations) when they entail a change of ownership or control assets held in Cameroon.
- **Transfers of rights relating to natural resources:** Transfers of shares in companies under Cameroonian law including rights relating to natural resources are expressly targeted.

50. The place of signature of the deeds, the location of the parties, the currency of settlement or the bank domiciliation do not prevent taxation in Cameroon when the transaction falls within the categories referred to in Section 42 of the CGI.

- **Implementing rules**

A. Definition of indirect transfers (specifically referred to)

51. An indirect transfer is any transaction or series of transactions carried out through intermediary entities, having as its direct or indirect effect the transfer of ownership or control of a company holding, directly or indirectly, assets located in Cameroon.

<u>Illustration</u>

A foreign company A sells securities to a foreign company B (both belonging to the same scope of consolidation) an intermediary holding company that holds a stake in a company incorporated under Cameroonian law. The capital gain realized abroad is taxable in Cameroon as long as it corresponds to an indirect transfer of shares in a Cameroonian company.

52. The administration will assess the existence of an indirect transfer of ownership or control with regard to a set of indicators, in particular:

- change in the shareholding of the "head of the chain" company or holding company;
- substitution of the beneficial owner of the Cameroonian entity;
- change of decision-making power over assets located in Cameroon (voting rights, shareholders' agreements, control clauses)).

53. Capital gains on indirect disposals resulting from restructuring operations, in particular mergers, divisions, partial contributions of assets or any similar operation, are also liable to the IRCM when they entail a change in ownership or control assets held in Cameroon.

54. The decisive criterion being the change of ownership or control, a purely internal restructuring that does not produce such a change does not, by itself, fall within the scope of Section 42 of the General Tax Code.

<u>Illustration of a restructuring involving third-party entities</u>

Following a merger by way of absorption between two foreign companies, company A (absorbing) and company B (absorbed), the latter transfers all of its assets to company A. This assets include equity securities held either in the capital of a company C located in Cameroon or in a company D located abroad, which itself holds shares in a Cameroonian entity.

Although Company B is dissolved as a result of the merger, Company C or Company D is now under the control of a new investor, Company A. To the extent that one or other of these entities holds, directly or indirectly, assets in Cameroon, such a change of control entails taxation of the capital gain corresponding to the indirect transfer of those assets.

B. Determination of the basis of assessment

55. The procedures for determining the basis of the capital gain remain unchanged, namely those provided for by Circular No. 020/MINFI/DGI/LRI/L of May 8, 2024, specifying the terms of application of the tax provisions of Law No. 2023/019 of December 19, 2023 on the Finance Law of the Republic of Cameroon for the financial year 2024.

- **Reporting obligations, taking evidence and due diligence**

A. Production of information and supporting documents

56. For the purposes of Section 42 of the General Tax Code, the taxpayers concerned, as well as, where applicable, the entity governed by Cameroonian law whose securities or assets are concerned, are required to communicate to the services, on request or within the framework of the reporting obligation provided for in Section L 86 of the MTP, the information and documents enabling the assessment of:

- the reality of the transfer (direct or indirect);
- the chain of ownership and the existence of interposed entities;
- change of ownership or control ;
- the valuation method and the determination of the capital gain.

57. The expected documents include: deeds of sale, shareholders' agreements, merger/demerger/contribution agreements, "before/after" organizational charts, financial statements, valuation reports, pricing documents and any evidence relating to the beneficial owner and control.

B. Diligence of the services and securing collection

58. The departments will identify the transactions falling within the scope of Section 42 of the General Tax Code by means of a set of indicators: changes in shareholding at the level of holding companies, cross-border reorganisation operations, restructuring involving a change of control, transfers of "head of chain" entities, transfer of rights to natural resources.

59. In terms of recovery, it is recalled that the solidarity mechanisms provided for by the MTP may also be mobilised, if necessary, to prevent the risks of uncollectability when the seller or buyer is non-resident and out of operational scope.

- **Entry into force**

60. These provisions apply to transactions carried out in respect of financial years ending on or after 31 December 2025.

- **<u>SECTION 58</u>.- Taxation of income earned by private drivers affiliated to digital transport platforms (VTC)**

61. Section 58 of the French Tax Code, amended by the 2026 Finance Act, specifies the terms and conditions for determining the taxable income of individuals carrying out an activity of transporting people through digital platforms.

- **Scope**

A. Persons and income concerned

62. The scheme applies to income received by natural persons who are tax residents in Cameroon and who carry out, on an individual basis, independently or on an occasional basis, a passenger transport activity through a digital networking platform operating on the national territory.

63. In particular, the following are targeted:

- private drivers who do not have the status of trader within the meaning of the OHADA Uniform Act relating to general commercial law;
- occasional drivers who carry out this activity on an ad hoc basis, as long as they generate taxable income through a platform.

B. Excluded persons and income

64. The specific tax regime defined in Section 58 of the French Tax Code does not apply:

- to the company operating the digital platform, which remains subject to taxes and duties under ordinary law on its own income;
- natural or legal persons who own fleets of vehicles, qualified as "partners", who make these vehicles available to drivers under a rental or employment contract. These partners carry out a commercial activity and remain, as such, subject to tax on their income (Industrial and Commercial Profits or IS), in accordance with the rules of ordinary law.

65. The income and commissions received by the operators of the platforms and by the partners remain taxable according to the regimes applicable to them (IS, VAT, IGS, etc.), in accordance with the legislation in force.

- **Procedures for assessing the tax**

A. Applicable rate

66. The income in question is subject to a withholding tax at the rate of 5%. However, this income remains subject to the annual declaration obligation provided for in Section 74 of the French Tax Code.

B. Taxable base

67. The taxable income is determined on a flat-rate basis up to 20% of the gross amount of the journey (rate displayed on the application), representing the net share due to the driver after deduction of his operating expenses.

Illustration :

- For a ride charged 10,000 FCFA:
  - Taxable income = 20% × 10,000 = 2,000 CFA francs;
  - Tax due = 5% × 2,000 = 100 CFA francs.

- **Procedures for declaration and repayment**

68. The operator of the digital platform is designated as the legal person liable for withholding, declaring and remitting the tax.

69. As such, the platform is required to:

- withholding at source, on each transaction, the amount of tax due according to the formula:
  PIT = (Gross amount of the race× 20%) × 5%;
- pay the amounts deducted from the account of the Tax Collector no later than the 15th

of the month following that of the deduction.

IV. Miscellaneous provisions

70. The Legislation Division, in conjunction with the Communication Unit, will organize, in collaboration with the platforms concerned, a national information and awareness-raising campaign for drivers, aimed at explaining the applicable tax rules, the calculation and declaration methods, as well as the rights and obligations arising from them.

71. These provisions are immediately applicable and take effect from 1 January 2026.

- **SECTION 65A.- Increase in the rate of the allowance on exceptional income**

72. Section 65 bis of the General Tax Code, as amended by the Finance Act for the 2026 financial year, increases the rate of the flat-rate allowance applicable to exceptional income from 25% to 35% for the calculation of personal income tax. This increase is intended to mitigate the impact of escalation tax on sums that are not received periodically, in particular end-of-career allowances, retirement bonuses.

73. For the purposes of this measure, the qualification of "exceptional income" remains governed by the criteria of nature (income not likely to be collected annually) or amount (sum exceeding the average taxable income of the previous three years).

74. For any other clarification relating to the eligibility conditions, the methods for determining the three-year average and the technical due diligence of liquidation, the managing services are invited to comply with the developments and instructions already explained in Circular No. 020/MINFI/DGI/LRI/L of 8 May 2024 specifying the terms and conditions of application of the tax provisions of the 2024 Finance Law.

- **SECTION 87.- Withholding tax on property income**

75. The previous regime of deduction on property income maintained a double inequity, relating both to the rate and to the scope of the exemptions:

- a high rate (15%) which often created structural tax credits for professional landlords and encouraged the concealment of leases;
- Exemptions that are too broad, systematically exempting rents from withholding paid to companies under the specialised management units (DGE/CIME), thus depriving the State of immediate tax collection.

76. The Finance Act for the 2026 financial year reorganises this scheme around two orientations:

- Harmonization of the rate: the rate of withholding tax on rents is reduced from 15% to 10%, in order to align it with the level of taxation applicable to non-professional landlords subject to a discharge regime;
- Refocusing of exemptions: the reform puts an end to a scope of exemption that is considered too broad and a source of unequal treatment, by now limiting exemptions to situations expressly provided for by law.

- **Scope**

77. The deduction is based on the gross amount of the rents (excluding deduction of charges), as shown in the lease, the receipts and any supporting documents.

78. Withholding tax is exclusively made by the following persons or entities, when they pay rents :

- public administrations and establishments;
- legal persons;
- sole proprietorships subject to the real property regime;
- taxpayers subject to the General Synthetic Tax regime (IGS);

- non-profit organizations (NPOs) duly authorized to deduct at source.

79. The following are exempt from withholding tax:

- Rents paid to entities expressly authorised by the Minister in charge of finance to withhold taxes and duties at source.
- Rents paid by taxpayers subject to the IGS to landlords subject to the real regime.

This rule aims to avoid an overlapping of constraints for small operators and to take account of the fact that the lessor, subject to the actual situation, is bound by more structured accounting and reporting obligations allowing for control direct.

<u>Illustration</u>

A taxpayer subject to the IGS rents a warehouse from a real estate company subject to the real estate regime. No withholding tax is made by the IGS tenant: the rent is paid gross.

The actual landlord remains required to declare and pay his taxes according to his regime.

- **Miscellaneous provisions**

80. The services will ensure, during on-the-spot or documentary checks, that:

- verify that the debtors required to withhold the tax (administrations, public establishments, legal entities, sole proprietorships of the real and IGS, NPOs concerned) apply the 10% rate on rents gross amounts, except in the case of exemption provided for by law;
- ensure the existence of a ministerial authorisation when the exemption is based on the status of entity authorised to withhold at source;
- control, in the event of exemption from withholding tax on rents paid to a landlord subject to the real property regime, the reality of the landlord's tax regime (attachment to the real property regime);
- reconcile the deductions made and paid to the rents actually paid (leases, receipts, transfer statements, rental charges), in order to prevent any basic reduction or unpaid deduction.

- **Entry into force**

81. These provisions apply to rents paid in respect of periods beginning January 1, 2026.

- **<u>SECTIONS 93 TER AND 93 QUARTER.</u> Reconfiguration of the attachment criteria tax regimes.**

82. The provisions of Sections 93 ter and 93 quarter of the General Tax Code, as revised by the Finance Law for the 2026 financial year, overhaul the procedures for determining tax regimes. This reform is part of a twofold objective of bringing the national tax system into line with the legislation on local taxation and rationalizing the tax base through a more detailed segmentation of economic activities.

83. The adjustments thus made introduce a distinction in the thresholds for liability to the IGS and update certain criteria for automatic attachment to the real regime.

- **Segmentation of the thresholds of the Synthetic General Tax (IGS)**

84. Under the legislation prior to the 2026 Finance Law, liability to the IGS was based on a single quantitative criterion (achievement of an annual turnover excluding tax of less than 50 million CFA francs), without distinction relating to the nature of the activity carried out. This uniformity did not allow for the reflection of the disparities in cost structures between trading activities and the provision of intellectual services.

85. The reform breaks with this principle by establishing a duality of thresholds, based on the economic nature of the activity:

- the maintenance of the threshold of 50 million CFA francs for commercial and industrial activities: taxpayers whose activity is related to industry, trade, crafts or the agro-pastoral sector remain subject to the IGS as long as their annual turnover before tax is less than 50 million CFA francs;

- the establishment of a reduced threshold of 30 million for liberal professions: from now on, taxpayers exercising a liberal profession or a non-commercial activity are subject to the IGS when their turnover is less than 30 million CFA francs.

86. As a result, liberal professionals with an annual turnover equal to or greater than 30 million CFA francs are subject to the real regime.

▪ **Attachment to the real regime without regard to turnover**

87. At the same time as the modification of the thresholds, the reform updates the criteria for automatic attachment to the real property regime.

88. Thus, the reference to the law of 18 April 2013 is now replaced by that of Ordinance No. 2025/002 of 18 July 2025 setting the incentives for investment in the Republic of Cameroon. As a result, pursuant to Section 93 quarter of the French Tax Code, any new taxpayer who can prove that he has been approved under the said Ordinance is subject to the real regime as soon as the approval agreement is signed.

Summary table of the attachment criteria tax systems

CLASS OF TAXPAYER	DECISIVE CRITERION	TAX REGIME
1. GENERAL ACTIVITIES		
Traders, industrialists, craftsmen, farmers, breeders	Turnover less than 50 million FCFA	IGS
Traders, industrialists, craftsmen, farmers, breeders	Turnover equal to or greater than 50 million FCFA	Real Regime
2. LIBERAL PROFESSIONS		
Lawyers, Doctors, Tax Advisors, Experts, etc.	Turnover less than 30 million FCFA	IGS
	Turnover equal to or greater than 30 million FCFA	Real Regime
3. PUBLIC OFFICERS		
Holders of notarial offices (Notaries)	Regardless of Turnover	Real Regime
4. STRATEGIC SECTORS		
Oil, Mining & Gas Sectors EMFs, Insurance Companies Mobile telephony	Regardless of Turnover	Real Regime
5. INCENTIVE SCHEMES		
Companies approved by the 2025 Ordinance	Regardless of Turnover	Real Regime
New taxpayers subject to derogation from the DGI (Investment or Order over 100M)		Real Regime

▪ **Miscellaneous and transitional provisions**

89. For the application of these provisions, the services in charge of registration will ensure in particular that:

- retain as legal reference thresholds 50 million CFA francs and 30 million CFA francs depending on the nature of the activity;

- to secure the qualifications of the liberal professions, in order to ensure a compliant classification.

90. These provisions shall apply from 1 January 2026.

○ **<u>SECTIONS 95, 95A, 96 and L 105c</u>.- Reform of the procedure for the cessation of activity and radiation security**

91. The amendments to Sections 95, 95 bis and 96 of the General Tax Code are intended to clarify and strengthen the obligations incumbent on taxpayers in the event of a permanent or temporary cessation of activity, the transfer of a business or the death of the operator.

92. The previous system, which was essentially declarative a posteriori, did not allow for effective management of the company's tax "end of life". The reform removes procedural uncertainties by instituting a rigorous formalism articulated around two distinct chronological obligations:

- an obligation to provide prior information (anticipation);
- a definitive "tax" liquidation obligation (closure).

▪ **Determination of the termination date (d-date) and calculation of time limits**

93. For the purposes of applying the time limits provided for in Section 95 of the French Tax Code, the date of cessation (date J) means the date on which the activity effectively ceases to be carried out, regardless of the date of signature of an act, an internal decision or an administrative formality.

94. The D-date is assessed in the light of a set of concordant indices, in particular:

- the effective closure of the establishment or the actual cessation of services to the public;
- the date of effective transfer of the business or management to the transferee, in the event of a transfer;
- the date of dormancy materialized by the effective cessation of operations (temporary cessation);
- consistency with the traceability elements available (periodic declarations, invoicing, receipts, stocks, current contracts).

95. The time limits established by Section 95 structure the procedure for termination and the intervention of the services. They are appreciated from the D-date thus defined.

▪ **The new two-stage termination procedure (Section 95)**

A. <u>Step 1</u> : *declaration of cessation (D-3 months)*

96. Any cessation of activity, whether definitive or temporary, must be preceded by the filing of a declaration signed at least three (3) months before the D-date.

97. This declaration is made electronically. It specifies, at the very least:

- the planned D-date;
- the nature of the event (permanent cessation, temporary termination);
- the taxpayer's identification (NIU, address, activity);
- where applicable, the identity and address of the intended transferee.

98. This formality allows the services to prepare the necessary due diligence, in particular with a view to the control and securing the collection of latent taxes.

99. When the cessation is the result of a case of force majeure (accident, fire, disaster, etc.), the taxpayer is required to declare the cessation within a maximum period of 30 days from the occurrence of the event.

B. <u>Step 2</u> : *Closing declaration (D+3 months)*

100. Within three (3) months of the D-date, the taxpayer is required to submit a closing declaration liquidating all taxable income up to that date.

101. This declaration shall include, in particular:

- the liquidation of the taxable results of the intercalary period (from the end of the last taxable financial year to the date D);
- Elements useful for control consistency (inventory statements, fixed assets sold or transferred, receivables and payables, contracts in progress, reversal of provisions, capital gains, etc.);
- where applicable, the surname(s), first name(s) or company name and address of the transferee, in order to ensure the continuity of the tax follow-up.

C. Special case: death of the operator

102. In the event of the death of the farmer, the annual income declaration is signed by the beneficiaries within **six (6) months** of the date of death.

▪ **Control, legal effects and payment obligations (Sections 95a and 96)**

A. Opening of the audit on termination (Section 95a)

103. The signing of the declaration of cessation systematically leads to the initiation of an audit of the taxpayer's tax situation by the Tax Administration, in order to verify the accuracy of the bases declared and to ensure that the taxes due are fully discharged before the suspension or cessation of tax obligations.

104. To this end, the Division in charge of tax control assigns, without delay, an audit programming number, which constitutes the formal authorisation to initiate control operations. The tax office to which the taxpayer is attached shall be immediately notified of this number, at the diligence of the said division, in order to ensure the effective start of the audit.

105. It should be noted that the implementation of this control does not suspend the procedure for cessation of activity when it occurs in the context of a sale to a new transferee who formally undertakes to take over all of the seller's tax debts.

B. Payment of Fees

106. In accordance with Section 96 of the French Tax Code, the declaration of cessation must be accompanied by the payment of the corresponding duties assessed on the declaration of closure.

107. The deadlines provided for in Section 95 of the French Tax Code do not affect the application of the other tax obligations, procedures and penalties provided for by the regulations. In the event of failure to declare, delay or incomplete declaration, the services apply the measures of reminder, formal notice, reconstitution of bases and penalties provided for in the Manual of Tax Procedures.

Summary table of deadlines (operational calendar)

Step	Nature of the act	Legal deadline
Phase 1	Declaration (prior information)	At least 3 months before the D-date
Phase 2	Effective termination	D-Date
Phase 3	Closing Statement (Settlement of Revenues and Results)	No later than 3 months after the D-date
Phase 4	Tax audit	Opened following the declaration of cessation
Special cases	Death: declaration of income by the beneficiaries	No later than 6 months after death
	Force majeure	No later than 1 month from the occurrence of the event

- **The sanctions regime**

108. In order to give this reform its full scope, Section L 105 quarter of the General Tax Code establishes a graduated coercive mechanism, the implementation of which is subject to the following rules.

A. Characterization of breaches and calculation of time limits

109. Failure to submit the prior declaration within the three-month period preceding the termination, as well as the failure to file the closure declaration within three months of the termination constitute breaches punishable by sanctions.

B. Proportion of financial penalties

110. The legislator has established a scale of penalties proportionate to the ability of companies to pay:

- in the case of taxpayers under the Directorate of Large Enterprises (DGE), failure to comply is punishable by a fine of 10,000,000 CFA francs;
- for taxpayers under the Tax Centers for Medium-Sized Enterprises (CIME), centers in charge of NPOs and liberal professions, the fine is set at 5,000,000 CFA francs;
- Finally, for taxpayers under the IGS regime, the fine is 1,000,000 CFA francs.

111. The cumulation of penalties for failure to make a prior declaration and failure to declare a closure remains legally possible.

C. Solidarity of leaders

112. Section L 105 quarter of the General Tax Code introduces a major provision on forced recovery. It enshrines responsibility Solidarity with the leaders de jure or de facto, allowing the tax authorities to pursue the recovery of taxes and penalties on their personal assets when the cessation of activity has been organised without prior discharge of the tax liabilities.

113. The collection services are invited to rigorously apply this provision as soon as the materiality of the declarative breaches is established or when taxes have been established.

114. In the event of the departure of the directors from Cameroonian territory, the services are required to implement the recovery assistance clause provided for in Section L 94 septies of the Manual of Tax Procedures.

- **Miscellaneous and transient provisions**

115. The declarations provided for in Sections 95, 95 bis and 96 of the General Tax Code, detailed above, are submitted electronically.

116. The electronic submission of cessation and closure declarations entails automatic updating of the taxpayer's situation in tax management applications, in particular with regard to:

- the taxpayer's business status;
- the scheduling of the control following the cessation;
- monitoring the collection of assessed taxes.

117. The Inspectorate of the Tax Services, the Information Technology Division and the services in charge of control shall take the necessary measures to ensure the effectiveness of these measures.

118. These provisions shall apply to cessation of activity occurring as of 1 January 2026.

119. As a transitional measure, and pending the full implementation of the dedicated electronic modules, the tax authorities may admit, on an exceptional basis, the receipt of paper returns, subject to their entry into the tax management applications by the competent services.

- **<u>PROVISIONS RELATING TO INCENTIVES AND PUBLIC PROCUREMENT</u>**

o **<u>SECTIONS 105 and 105 BIS</u> – Strengthening of tax incentives for youth employment and the financing of social integration structures**

120. The amendments made to Sections 105 and 105 bis of the General Tax Code are intended to strengthen the tax tool to support the national policy of promoting the employment of young graduates, by broadening the forms of eligible integration and introducing tax credit mechanisms.

121. To this end, Section 105 of the French Tax Code extends to work-study contracts the system of exemption from tax and employer contributions on salaries paid to young graduates who were previously limited to recruitment in the context of a first job or a practical pre-employment internship.

122. For the purposes of these provisions, work-study programmes are defined as contractual arrangements combining periods of theoretical training and periods of practical activity in a company, with a view to promoting the gradual acquisition of professional skills and the long-term integration of the young beneficiary into the labour market.

123. It is recalled that the benefit of the exemptions and tax credit attached to this regime is limited to three (03) years, regardless of the duration of the work-study contract or the number of renewals made.

124. It also establishes a tax credit for companies 20% for the costs incurred for training, supervision and professional integration.

125. In addition, Section 105 bis of the French Tax Code establishes a tax credit on the income of natural persons in respect of donations made to approved structures for the training, supervision or integration of young people.

▪ **Implementing rules**

A. "Business" tax credit

126. Companies benefit from a tax credit equal to 20% of the costs actually incurred in respect of the training, supervision and professional integration of eligible young people recruited for their first job, for a pre-employment practical internship or for a work-study contract.

127. Expenses giving entitlement to the tax credit means expenses that are directly related to the purpose of the Act and that are properly justified, including:

- training costs (internal or external) related to the position and the integration process;
- supervision expenses (tutoring, formalized supervision, support systems);
- integration costs (tools, modules, devices dedicated to professional integration), subject to their justification and attachment.

128. The company must be able to produce, at any requisition, supporting documents, in particular:

- contracts (work, work-study) or internship admission documents;
- documents establishing the age, nationality and status of the graduate;
- the corresponding payroll statements and declarations;
- invoices, purchase orders, training agreements, attendance sheets, management reports, and any document attesting to the reality and actual burden of the expenses invoked.

129. The tax credit is deductible from the corporate tax, personal income tax or IGS due for the financial year, in accordance with the reporting procedures provided for in the forms and annexed statements.

Illustration :

- a company subject to the General Synthetic Tax (IGS), category 10;
- "theoretical" annual IGS: 2,000,000 FCFA;
- a company that is a member of a CGA entitling the holder to a 50% reduction in the IGS;
- recruitment of 02 eligible young graduates, monthly salary 150,000 FCFA each.

✓ Gross annual wage bill of both: 150,000 × 2 × 12 = **3,600,000 FCFA.**

➢ ***Exemption from tax and employer contributions on salaries (Section 105(1) and (3))***

- On the salaries paid to the two young people, the company is exempt from tax and employer charges, with the exception of social security contributions, which remain due.
- This exemption applies for three (03) years from the date of signature of the contracts / admission to internship / work-study contract.

➢ ***20% business tax credit (section 105(4))***

- Assumption of eligible costs (training/supervision/integration) actually borne and justified over the financial year:

✓ External training: 400,000 FCFA per young person × 2 = 800,000 FCFA

✓ Tutoring allowance / internal supervision (justified): 150,000 FCFA per young person × 2 = 300,000 FCFA

✓ Total eligible expenses = 800,000 + 300,000 = 1,100,000 FCFA

- Tax credit = 1,100,000 × 20% = 220,000 FCFA

NB: this tax credit is deducted from **the tax due for the financial year** (IGS for IGS taxpayers). It is not to be confused with the exemption on salaries.

➢ ***Imputation to the IGS, taking into account the CGA benefit***

- Theoretical annual IGS: 2,000,000 FCFA
- CGA discount (50%): 2,000,000 × 50% = 1,000,000 FCFA
- IGS after CGA reduction = 2,000,000 − 1,000,000 = 1,000,000 FCFA
- Deduction of the tax credit youth employment: 220,000 FCFA
- IGS net payable (within the limit of the tax due) = 1,000,000 − 220,000 = 780,000 FCFA

C. Tax credit for "natural persons"

130. Under the terms of Section 105 bis of the General Tax Code, a tax credit equal to 20% of the value of donations (in cash or in kind), up to an annual limit of 25 million CFA francs, is granted to natural persons who make donations to approved training, supervision or integration structures. The absence of approval or justification leads to the rejection of the tax credit.

131. It is deducted from the personal income tax due for the financial year, as part of the annual declaration made in accordance with the applicable provisions, in particular the annual declaration referred to in Section 74 bis of the General Tax Code. Any surplus not charged for a financial year is carried forward to the taxes due for the following four (04) financial years.

132. The natural person must keep and produce, at any request from the Administration, the following supporting documents:

✓ **Cash donations** :

- receipt or certificate issued by the beneficiary structure, mentioning the identity of the donor, the amount, the date and the reference of the approval;
- proof of payment (bank transfer, cheque, or any other means of proof);

It is specified that only payments leaving a supporting record are eligible for this benefit.

Cash payments are only eligible for this scheme when they are made directly to the bank accounts of the beneficiary structures.

✓ **In-kind donations:**

- receipt or certificate describing the nature of the property, the quantity, the date and the reference of the approval;
- documents establishing the value retained (acquisition invoice, estimate, any evidence of valuation).

<u>Illustration</u> (tax credit "natural persons")

- Cash donation to an approved structure: 3,000,000 FCFA.
- Tax credit: 3,000,000 × 20% = 600,000 CFA francs.
- The taxpayer carries 3,000,000 CFA francs in the dedicated section of the annual declaration. The computer system calculates the corresponding credit and sets it off against the tax due, subject to control supporting documents which must be attached as an appendix to the annual declaration.

▪ **Miscellaneous provisions**

133. The advantages provided for in Sections 105 and 105 bis of the General Tax Code are subject to a declarative system. They are not subject to any prior authorisation or formality from the tax authorities.

134. The beneficiary companies and taxpayers apply the benefits under their responsibility, it is up to them to ensure traceability, justification and compliance with legal conditions.

135. However, the beneficiary companies are required to inform their home centre in the manner provided for in the attached forms and statements, in order to allow the monitoring and use of the data for control purposes.

136. The centres to which they are attached remain authorised to carry out the usual checks (on the basis of documents and, where appropriate, on the spot), in order to verify the eligibility of the beneficiaries, the reality of the contracts and expenditure, the duration of application, and the consistency of the amounts exempted or charged.

137. The competent departments in terms of tax forms, the configuration of declarations and dematerialisation will ensure that the following are included for the implementation of the measure:

- sections for identifying young beneficiaries and forms of integration (contract, internship, work-study programme);
- the fields used to trace the three-year eligibility period;
- a standard annexed statement relating to the tax credit "enterprises" (eligible expenditure, calculation of the 20% rate, imputation) ;
- A declarative system allowing the monitoring of the tax credit "natural persons" in the declaration with the reference of the approval of the beneficiary structures.

▪ **Entry into force**

138. These provisions apply to contracts concluded and donations made as of 1 January 2026.

○ **<u>SECTION 111 (2)</u>.- Extension of the IRCM exemption to interest on securities of negotiable loans issued by CEMAC member states**

139. The Finance Law for the 2026 financial year amends Section 111 of the General Tax Code in order to extend the exemption, previously limited to interest on Cameroon State bonds, to interest on securities of negotiable loans issued by all the member states of the Central African Economic and Monetary Community (CEMAC).

140. This development is intended to bring national legislation into line with the

Community framework applicable to transferable securities, which enshrines a harmonised and non-discriminatory tax treatment of securities issued in the CEMAC area.

▪ **Scope**

A. Titles concerned

141. This applies to securities of negotiable loans issued by CEMAC member states, in particular, according to their financial qualification and their issuance documentation: Assimilable Treasury Bonds (OATs), Treasury Bills, and more generally any negotiable sovereign securities issued by public offering in accordance with the rules of the regional market.

142. The exemption applies to interest (coupons and similar products) paid on these instruments, regardless of the place of payment, as long as the issuer is a CEMAC member state (Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea, Chad).

B. Persons and taxes concerned

143. The exemption benefits natural or legal persons receiving this interest, resident in Cameroon.

144. The interest concerned is exempt:

- Corporate Income Tax (CIT);
- the Tax on Income from Movable Capital (IRCM);
- and, from any other levy of the same nature, in particular withholding taxes of a similar nature relating specifically to these products.

▪ **Implementing rules**

A. Scope of the exemption and declarative treatment

145. Exempt interest must be accounted for in accordance with the rules of the chart of accounts and then treated for tax purposes as exempt income:

- for legal entities (IS): entry as financial income in the accounts, then non-accounting neutralization (deduction) on the table for the transition from the accounting result to the tax result (Statistical and Tax Declaration).
- for natural persons (PIT): information in the annual income tax return, under the heading of exempt income, with no impact on the taxable base.

146. The exemption exempts the interest concerned from any withholding tax under the IRCM when it is paid by the financial institutions.

B. Supporting documents to be produced and documents to be kept

147. In order to apply the benefit of the exemption, taxpayers and, where applicable, paying institutions or account keepers are required to keep and present at any request of the Administration, a supporting file proving the following:

- Identification of securities : full designation, identification code (International Securities Identification Number (ISIN) or equivalent), issue reference and financial characteristics of the medium;
- the status of the issuer: attestation of the sovereign nature of the issuer (CEMAC member state or eligible local authority);
- the nature of the income received: proof that it is exclusively interest and mention of the period for which the income is paid;
- the materiality of the payment: production of statements from the central depository, coupon slips or payment certificates certifying the net amounts actually paid.

148. The absence of production of these parts during an inspection on the basis of documents or on the spot leads to the immediate questioning of the exemption unduly applied and the reminder of the taxes evaded.

Illustration (treatment of CEMAC interests)

A Cameroonian company subject to corporate tax holds Treasury bonds issued by the Gabonese State (Gabon OAT 6% 2024-2029). For the year, it receives interest of 10,000,000 CFA francs.

- *Accounting* : the 10,000,000 CFA francs are recorded as financial income (Account 77). The accounting result increased by 10 million;
- *Taxation* : when calculating the tax, the company deducts this 10 million from the tax return (under the heading "Exempt income"). The taxable base for corporate income tax is therefore zero for this operation.
- *Cash:* the bank pays the entire 10 million without operating a withholding tax (IRCM).

149. The services will thus ensure that:

- ensure that the titles invoked are actually issued by a public treasury of a CEMAC state (and not by a private company in the zone, which remains taxable);
- check the concordance between the amounts deducted from outside the accounts and the receipts for collection;
- verify that there is no undue withholding tax by the paying institutions.

▪ **Entry into force**

150. These provisions apply to all interest paid as of 1 January 2026.

○ **<u>SECTIONS 116 QUARTER (4) and 116 SEXIES (4) –</u> Securing withholding taxes on public spending**

151. The system for levying taxes on public expenditure has revealed operational limitations, particularly when using derogatory procedures where the lack of details on the nature of the services made it difficult to determine the applicable taxation. In addition, the manual management of the withholding tax certificate did not allow for optimal monitoring of flows within the State's accounting information system.

152. In order to remedy this, the amendments introduced to Sections 116 quarter and 116 sexies of the General Tax Code aim to provide a better framework for these procedures. They establish:

- on the one hand, a flat-rate withholding mechanism at the rate of 5.5% in the absence of a precise specification of the expenditure;
- on the other hand, the generalization of the withholding tax certificate (ARS) generated by the computer system as mandatory proof of any payment.

153. Where, in the context of the derogation procedures, the statement of expenditure or the invoices do not make it possible to establish with certainty the exact nature of the service, the public accountant is required to make a global flat-rate deduction.

154. As a reminder, the derogatory procedures for the execution of public expenditure refer, pursuant to the provisions of Section 116 quarter of the General Tax Code, to expenditure carried out in accordance with the procedures for imprest funds, cash advances, release of funds, works carried out by direct contractors, works carried out through the intermediary of State mission bodies, as well as special purpose accounts.

155. This withholding tax is paid at the rate of 5.5%, including the Additional Municipal Cents (CAC), calculated on the gross amount of the sums paid.

156. It is specified that this mechanism constitutes a safeguard measure. It does not replace the ordinary law rates (VAT to 19.25%, AIR to 5.5% or 2.2%) than when the above-mentioned documentation is insufficient to qualify the expenditure for tax purposes and determine the applicable rate regime.

157. When the nature of the service is subsequently established with precision, an adjustment must be made by the ticket agent, when performing its reporting obligations, according to the applicable rates, under the conditions provided for by the tax legislation in force.

B. The obligation to generate the Certificate of Withholding Tax (ARS) online (Section 116 sexies)

158. The documentary package justifying the execution of any public expenditure must, on pain of inadmissibility, include a Certificate of Withholding Tax (ARS). This certificate is generated by the public accountant, exclusively through the IT application of the Tax Administration.

159. The requirement of the withholding tax certificate applies to all operations undertaken from the budget of the State, DTCs and public establishments.

160. The ARS thus generated is the only documentary evidence admitted to justify the collection of the corresponding taxes and duties. As a result, the use of manual certificates is now formally prohibited and constitutes a reason for rejecting the accounting package.

- **Miscellaneous provisions**

A. Obligations of authorising officers and financial controllers

161. Authorising officers are reminded of the obligation to ensure, from the commitment phase of the expenditure, that the evidence necessary to determine the exact fiscal nature of the expenditure is gathered. The absence of such details in the commitment file entitles the holder to the systematic application of the 5.5% flat-rate safeguard deduction.

162. It is their responsibility, in collaboration with the financial services, to ensure that the Withholding Tax Certificate (ARS) is actually generated via the Tax Administration's IT application and attached to the documentary and accounting package. This document is a *sine qua non condition* for the admissibility of this documentation.

B. Obligations of public accountants

163. The accounting officers who sign the expenditure carried out in exceptional procedures are required, under their own responsibility, to personal and financial, of:

- withholding tax at the specific rates of ordinary law (VAT, AIR, IS, TSR) when the documentation allows for a precise tax classification;
- automatically apply the flat-rate deduction of 5.5% if it is impossible to qualify the expenditure.

C. Obligations of imprest fund managers

164. In their capacity as agents, the managers and ticket agents are imperatively required to keep all the supporting documents (memoranda and invoices). These documents are essential to justify the tax qualification of the expenses and to allow the corresponding withholding certificates to be issued via the computer application.

D. Post-clearance audit

165. Control services will check the presence of the electronic withholding tax certificate, its concordance with the supporting documents and the effective repayment of funds to the Public Treasury.

166. Control missions joint DGI/DGTCFM will be organised to ensure the regularity of withholding tax operations and the conformity of the certificates produced.

- **Miscellaneous provisions**

167. These provisions apply to all expenses incurred or paid as of January 1, 2026. Additional clarifications will be provided as necessary.

o **SECTIONS 118 and 119 – Professionalisation of Approved Management Centres and adaptation to the new framework of the synthetic general tax**

168. The amendments made to Sections 118 and 119 of the General Tax Code have three main objectives: to adapt the regime of Approved Management Centres (CGA)) to the current tax regimes, in particular the Synthetic General Tax (IGS); strengthen the quality of the assistance provided to members through an increased requirement for professionalization; and to rationalise the system by abolishing transitional measures that have become irrelevant.

▪ **Membership fee framework CGAs for taxpayers under the GHI regime**

169. Prior to the entry into force of the Finance Law for the 2026 financial year, only taxpayers subject to the Real and Simplified regimes had a tariff framework expressly defined for their membership CGAs. This situation created uncertainty as to the eligibility of taxpayers under the new IGS regime.

170. The new wording of Section 118 of the General Tax Code remedies this shortcoming by setting a specific tariff framework for taxpayers subject to the IGS, thus confirming their access to the General Tax Code and their full and complete recognition within the system.

171. From now on, the annual dues paid by members are freely determined by the sponsors of the CGAs in compliance with the following mandatory tariff bands:

- ***for taxpayers subject to the General Synthetic Tax*** : an annual contribution of between fifty thousand (50,000) and one hundred and fifty thousand (150,000) CFA francs;
- ***for taxpayers subject to the real regime*** : an annual contribution of between fifty thousand (50,000) and two hundred and fifty thousand (250,000) CFA francs.

▪ **Strengthening the professionalization of CGAs**

172. In order to guarantee the quality of the service provided to members, each CGA must justify, on a permanent basis, the effective presence of a professional team constituted, at least and at the rate of one complete pair for every two thousand (2,000) members:

- at least one (01) CEMAC approved tax advisor, registered on the Roll of the National Order of Tax Advisors of Cameroon or another CEMAC member country;
- at least one (01) Chartered Accountant registered on the Roll of the National Order of Chartered Accountants of Cameroon or another CEMAC member country.

173. This requirement applies regardless of the tax regime in which the Centre's members are placed.

174. Compliance with the ratio set out above is assessed according to the number of active members actually monitored by the CGA during the financial year in question. Active members are defined as taxpayers who have actually benefited from the services offered by the CGA during the tax period under review.

175. To this end, the basic reference is the file of CGA members published online by the Tax Administration, which is authentic for the identification of taxpayers attached to a CGA. Active members are the taxpayers registered in the said file.

<u>Illustration</u>

- a CGA with one thousand eight hundred (1,800) active members during a financial year must prove the effective presence of at least one (01) Tax Advisor and one (01) Chartered Accountant ;
- a CGA with two thousand five hundred (2,500) active members crosses the first full tranche of two thousand; he must therefore justify the presence of at least two (02) Tax Advisors and two (02) Chartered Accountants to maintain a compliant framework;
- a CGA accommodating four thousand two hundred (4,200) active members with two full tranches plus a surplus; he must justify the presence of at least three (03) Tax Advisors and three (03) Chartered Accountants.

176. In the event that each tranche of two thousand members is exceeded, the Centre is required to proceed, without delay, to strengthen its professional resources to preserve the compliance of the management ratio.

177. To certify compliance with the professionalisation requirement, the CGAs must produce the following supporting documents at the request of the tax authorities:

- the up-to-date certificates of registration in the Registers of the respective professional orders of the tax advisors and chartered accountants collaborating with the structure;
- employment contracts, service contracts or collaboration agreements between these professionals and the CGA, specifying the hourly quota or the nature of the services;
- documentation establishing the total number of active participants monitored during the period, including membership records, liability lists or equivalent evidence.

178. Failure to comply with the professionalisation requirement shall result in either the suspension of the approval or the definitive withdrawal of the approval, depending on the seriousness and persistence of the breach, after formal formal notice has been notified in writing. This decision is taken by the Minister of Finance, at the diligence of the structure in charge of monitoring the derogatory regimes.

179. The services in charge of the management and monitoring of the derogatory regimes exercise control year-to-date annual survey covering all CGAs approved. This control specifically covers the following checks:

- the effective conformity of the contributions charged with the legal tariff bands defined above;
- the effectiveness and continuity of the professional supervision required with regard to the professionalisation ratio;
- the effective achievement of the threshold of one hundred (100) active members, a condition of eligibility for the tax advantages granted to the promoter of the CGA ;
- compliance with the rates of the contributions invoiced to members;
- the regular production and updating of supporting documents attesting to compliance with the professional requirements specified above.

▪ **Tax benefits for CGA members and their promoters**

180. The Finance Law for the 2026 financial year enshrines the reduction of fifty percent (50%) of the IGS's contribution for the benefit of taxpayers who are members of the CGAs and subject to this regime.

181. In the case of withholding tax on purchases, the amount deducted as withholding tax from taxpayers subject to the IGS regime is recognised as deductible from the amount of IGS due.

182. The benefits granted to members are also extended to CGA sponsors which are themselves covered by the IGS regime.

183. However, the application of these benefits is strictly limited to the share of their income directly derived from the Centre's management activities, i.e. management fees, commissions, benefits and remuneration specifically linked to the operation of the CGA. The promoter's other income, which is not part of the CGA's activity, remains subject to the ordinary law regime.

184. The IT division will proceed, without delay, to the integration and configuration of the above elements in all the applications of the DGI.

▪ **Abolition of the transitional measure relating to the exemption from controls**

185. As a result of the Finance Law for the 2026 financial year, the exemption from on-the-spot tax audits previously granted to taxpayers who have joined a CGA before 31 December

2016 is deleted. This transitional measure, the reasons for which have disappeared in view of the extreme length of time of the accessions concerned, no longer applies.

- **Entry into force and transitional measures**

186. All of the provisions set out above take effect from 1 January 2026.

187. However, CGAs that have previously obtained an approval before this date are required to carry out, by 1 April 2026 at the latest, all the administrative and technical due diligence necessary in order to:

- to carry out a complete update of their membership files;
- adapt the technical and professional supervision of their structure in accordance with the enhanced professionalisation requirements set out in the clarifications provided in Sections 118 and 119 of the General Tax Code;
- inform their members of the new rules for calculating allowances and imputation withholding taxes.

188. At the end of the period set out in the above point, the administration will carry out the inspection the effective compliance of each CGA and will initiate, if necessary, sanctions in the event of non-compliance with the requirements.

○ **<u>SECTION 121</u>. Strengthening of the tax regime for the promotion of economically stricken areas**

189. The system for the promotion of economically affected areas has a dual objective: to support the revival of productive activity in territories facing security, logistical or economic shocks, and to promote new investments that create added value through the granting of targeted and duly supervised tax advantages.

190. The Finance Law for the 2026 financial year makes a twofold adjustment to the regime:

- on the one hand, by refocusing the eligibility criteria and maintaining exemptions with a higher tax impact (in particular import and financing exemptions), while favouring the VAT credit mechanism for local acquisitions and, where applicable, its reimbursement in a secure and controlled environment strengthened;
- on the other hand, it introduces the possibility of extending the installation phase in order to take account of the delays objectively suffered by certain projects due to substantial safety, logistical or economic constraints.

- **Refocusing the criteria for exigibility**

191. The advantages provided for in Section 121 of the General Tax Code are now eligible for companies making new investments in an economically affected area, duly approved in accordance with the texts in force, with the formal exception of simple trading activities.

192. A simple trading activity, within the meaning of Section 121 of the French Tax Code, is any activity consisting essentially of:

- buying goods with a view to reselling them as is, without transformation or value creation;
- carry out a distribution, brokerage or intermediation activity relating to goods that are not subject to any value-added operation (production, processing, assembly, manufacturing, industrial packaging, processing).

- **The benefits available and the most applicable procedures**

A. Benefits applicable during the installation phase (maximum duration: three years)

193. With the Finance Act for the 2026 financial year, companies approved under the economically stricken areas regime no longer benefit, during the installation phase, from VAT exemption on local purchases of goods and services. This exemption is now limited to imports of these goods and services, carried out under the conditions provided for by the texts in force.

194. It is specified, however, that, during the same installation phase, the facilities granted under that scheme are extended to the exemption from VAT on interest on bank loans or similar loans, intended to finance investments made in an economically stricken area.

B. Exceptional extension of the installation phase (up to two years)

195. Approved companies whose installation phase is in progress may request an exceptional extension of this phase, up to a maximum of two (02) additional years, in the event of force majeure.

196. The extension is subject to the prior submission of a formal request to the Director General of Taxes, accompanied by a detailed investment plan establishing:

- the status of the project at the time of the application;
- the provisional schedule of the remaining investments, month by month or quarter by quarter;
- the precise identification of the expenditure or acquisitions envisaged during the extension period;
- The justification for the additional delay requires, in particular: proven and documented security constraints, persistent logistical disruptions, chronic unavailability of sites, delays in delivery beyond control of the company, substantial unforeseeable additional costs, or any event comparable to force majeure or substantial economic constraint within the meaning of contractual law.

197. Upon receipt of the complete file, the Director General of Taxes, after an examination of appropriateness and compliance, makes a reasoned proposal to the Minister in charge of Finance.

198. As part of the examination of the company's request, the competent services of the DGT may carry out on-site visits in order to assess the level of progress of the project, as well as the reality of the constraints put forward.

199. The exceptional extension, if granted, is materialized by an order of the Minister in charge of finance, which sets:

- the precise identity of the beneficiary company;
- the new expiration date of the installation phase;
- any special conditions attached to this extension;
- the effective date of the order.

▪ **VAT on local acquisitions: VAT credit and reimbursement**

A. General principle

200. Acquisitions of goods and services made locally as part of the approved project are subject to the ordinary VAT regime: the tax regularly invoiced in respect of these acquisitions and paid is deductible according to the rules applicable in this area, and may generate a VAT credit deferrable, clearable or refundable.

B. Procedure for filing the application for reimbursement and the investigation circuit

201. For the purpose of refunding VAT credits resulting from local purchases made by companies approved under the economic disaster zone regime are classified as "medium risk". Their requests for reimbursement are therefore processed after a simple consistency check carried out by the services.

202. The managing services are invited to be diligent and expeditious in validating the loans exposed by companies approved for the economically stricken areas regime, so as not to penalise their cash flow.

203. The application for reimbursement is submitted to the tax office to which the companies are attached.

204. The examination of the application includes the validation of the credit by the managing tax office, then the reimbursement of the said credit by the competent structure in charge of tax refunds.

C. Composition of the reimbursement file (list of documents to be produced)

205. The request for reimbursement must, on pain of inadmissibility, include:

- a formal letter of request specifying: the period in question, the amount of the loan requested in all letters, the full identification of the taxpayer (name, UDI, trade register number, registered office address);
- The decision to approve the regime for economically affected areas, as well as any amending act, corrigendum or extension subsequently granted;
- a detailed statement of all local acquisitions giving entitlement to the credit, including: invoice references, identification of suppliers including their UIN, invoice numbers, tax-free bases, VAT amounts, invoice and payment dates;
- original invoices or supporting documents accepted, in accordance with the legal rules on invoicing and bearing all the mandatory information;
- proof of payment (bank statements, transfer orders, receipts, debit notices) allowing the disbursement to be formally linked to each invoice;
- a detailed statement of the allocation of goods and services to the project (delivery slips, acceptance reports, accounting fixed asset sheets, store entry vouchers, photographs, integration diagrams), justifying that the acquisitions were intended for the needs of the project;
- the precise bank details of the beneficiary of the refund (account identity, bank, IBAN);
- any additional document deemed useful by the administration.

206. The competent authorities are empowered to require any additional documents or information necessary for the examination of the file, in particular when the nature or extent of the expenditure calls for enhanced checks or clarifications of a technical nature.

207. It is specified that only payments made by bank or electronic means give rise to the right to a refund of VAT. The services are therefore obliged to systematically reject any invoice paid in cash.

▪ **Entry into force**

208. These provisions shall apply as follows:

- on the abolition of the eligibility of the trading sector: to applications submitted on or after 1 January 2026;
- on the possibility of extending the installation phase: to applications submitted as of 1 January 2026, including when the approvals were signed before that date;
- on the substitution of the VAT exemption by the refund mechanism: to all purchases made from 1 January 2026, including for companies duly approved before this date.

286. In order to ensure compliance with the principle of neutrality of value added tax, the services are required to ensure that applications for the refund of VAT credits submitted by the undertakings concerned are processed diligently and as a matter of priority.

○ **<u>SECTIONS 124 QUARTER AND 124 QUINQUIES</u>.- Tax Measures to Support Persons with Disabilities**

209. Sections 124 quarter and 124 quinquies of the General Tax Code establish a set of tax support measures for the benefit of people with disabilities. These provisions reflect the requirements of national solidarity and inclusion into tax law.

210. The reform has two objectives:

- Reducing the tax cost to people with disabilities, in particular those covered by the General Synthetic Tax (IGS) regime;
- facilitate access to suitable equipment and devices through a VAT exemption.

▪ **Scope**

A. Beneficiaries of the facilities provided for in Section 124 quarter of the General Tax Code

211. The advantages provided for in Section 124 quarter of the General Tax Code benefit persons who cumulatively meet the following conditions:

- have a permanent impairment of at least fifty percent (50%);
- have a deficiency duly noted by the services of the Ministry in charge of social affairs in accordance with the relevant standards;
- hold a valid disability card issued by the competent authorities.

212. The absence or expiry of the disability card entails the loss of the right to the facilities.

B. Goods concerned by the VAT exemption (Section 124 quinquies of the General Tax Code)

213. The VAT exemption applies to equipment, materials and devices intended for the use of disabled people.

214. The list of eligible goods is set out in the decision of 17 May 2019 establishing the list of specialised materials and equipment for disabled people benefiting from the exemption from Value Added Tax. This decision is regularly updated by the Tax Legislation Division to take account of technical and technological developments.

▪ **Implementing rules**

A. 50% reduction on the IGS and the licence fee (Section 124c)

215. For people with disabilities under the General Synthetic Tax regime, the following are granted:

- a fifty percent (50%) reduction on the annual IGS rate;
- a fifty percent (50%) abatement on the licence fee.

216. These allowances apply when the tax is assessed on the basis of the rates applicable to the taxpayer according to his category.

217. For the application of this allowance, the Division in charge of legislation is invited to obtain from the Ministry in charge of social affairs the list of persons holding the disability card and to proceed with the configuration of computer applications, in order to allow the automatic taking into account of these measures.

218. By way of illustration, a person subject to an annual IGS rate of two million (2,000,000) CFA francs pays only one million (1,000,000) CFA francs after application of the allowance.

B. Exemption from wage and employer contributions on salaries (Section 124 quarter)

219. Persons with disabilities meeting the conditions set out above are exempt from payroll and employer deductions from their salaries and wages, with the exception of social security contributions.

220. This exemption applies to:

- the tax deductions made on the salary, namely the personal income tax, the local development tax and the contribution to the Crédit Foncier du Cameroun;

- the tax charges borne by the employer in respect of remuneration for work, i.e. the employer's share of the contribution to the FNE and the contribution to Crédit Foncier.

221. The application of these exemptions is not subject to any prior authorisation from the Tax Authorities. Employers apply it on the basis of the declarations submitted by disabled persons who meet the eligibility conditions set out above. To this end, the list of names of persons who have benefited from the said facilities during the financial year is sent to the tax office to which the DSF is filed.

222. The tax authorities remain, in any event, entitled to carry out any subsequent checks in order to ensure that the eligibility conditions are met and that the measure is correctly applied.

▪ **Entry into force**

223. These provisions apply to taxes and transactions carried out as of 1 January 2026.

○ **<u>SECTIONS 124 SEXIES TO 124 G</u>. - Introduction of a tax on technical inspections Automotive**

224. The Finance Law for the 2026 financial year has instituted a specific tax on the technical inspection of vehicles, based on inspection services provided by the approved centres.

225. This tax is a resource for the financing of actions for the supervision, prevention, treatment and social reintegration of disabled people.

▪ **Scope, chargeable event and tariff**

A. Basis of assessment and operative event

226. The tax base is made up of the control services Automotive technology carried out on the national territory, in accordance with the regulations in force.

227. The chargeable event for the tax occurs when each technical inspection operation is carried out, regardless of the result of the inspection (validity or rejection of the vehicle).

B. Exemptions

228. The following are exempt from the specific tax on the technical inspection of motor vehicles:

- vehicles specially adapted or used by people with disabilities ;
- public transport vehicles for people and goods regularly approved for this purpose.

229. The benefit of the exemption is conditional on the presentation of the following supporting documents:

- for disabled persons' vehicles: the disability card issued by the competent authority;
- for public transport vehicles for people and goods: a valid tax compliance certificate.

230. The technical inspection centres are required to keep the supporting documents for the exemptions granted for the purposes of inspection by the tax authorities.

C. Price

231. The rate of the tax is set at three thousand (3,000) CFA francs per vehicle and per operation. This tariff is unique and applies uniformly to all categories of vehicles subject to the tariff.

232. The specific tax must be mentioned separately on the invoice or slip issued to the user by the control centre in order to ensure transparency and traceability.

233. The revenue from the tax is distributed according to the following scale:

- thirty percent (30%) to the General State Budget;

- seventy percent (70%) to finance actions in favor of people with disabilities.

- **Persons liable for legal liability, collection, declaration and repayment**

234. Approved testing centres Automobile technical are legally liable for the specific tax on the automotive technical inspection. As such, they collect the tax on behalf of the Public Treasury during each control operation.

235. The declaration and repayment of the tax collected shall be made no later than the fifteenth (15th) day of the month following that in which the transactions were carried out, using a form provided by the tax authorities. Payment is made to the account of the Tax Collector of the centre to which the technical inspection centre is attached.

- **Miscellaneous provisions**

236. Declaration, control and control procedures, collection and litigation applicable to the tax on the technical inspection of vehicles are those provided for in the Manual of Tax Procedures (MTP).

237. In this respect, any failure to repay, delay or conceal of revenue by the approved centres exposes them to the penalties and surcharges provided for by the tax legislation in force, without prejudice to the administrative penalties related to the approval.

238. This tax comes into force on 1 January 2026 and applies to all control operations carried out from that date throughout the national territory.

○ **SECTION 124H – Tax credit in respect of donations to organizations supporting people with disabilities**

239. Based on the model of the "Youth Employment" scheme, the Finance Law for the 2026 financial year establishes a tax credit for the benefit of natural persons making donations to approved bodies for the care of disabled people. This measure aims to encourage private sponsorship and national solidarity towards vulnerable populations.

- **Scope**

240. Benefit from the tax credit :

- natural persons who are tax domiciled in Cameroon and subject to Personal Income Tax (PIT);
- natural persons taxable in Cameroon due to income from Cameroonian sources.

241. Donations must be made to regularly approved organizations whose statutory mission is:

- the supervision, care or social and professional reintegration of people with disabilities ;
- the care of other sick people, subject to official administrative recognition.

242. The Tax Legislation Division is instructed to carry out all the necessary due diligence with the Ministry of Social Affairs in order to obtain and maintain the list of eligible bodies.

- **Rate, ceiling and methods of imputation**

243. The tax credit is set at twenty percent (20%) of the value of donations (cash or in-kind).

244. The tax credit thus determined shall be deducted directly from the amount of personal income tax due for the financial year. It cannot exceed 25 million CFA francs.

245. This tax credit is exclusively taken into account in the context of the annual personal income tax return provided for in Section 74 bis of the General Tax Code. As such, the taxpayer must declare his or her donations when submitting his or her annual return and the system automatically liquidates the tax credit.

246. When the amount of the credit exceeds the tax due, the balance is carried forward to the following years within the limit of four (04) financial years.

247. For the validity of the set-off, the taxpayer is required to attach the following supporting documents to his annual return (Section 74 bis):

- a donation certificate issued by the beneficiary organization, mentioning the full identity of the donor, the nature of the donation, its value expressed in CFA francs, the date of receipt and the references of the ministerial approval;
- in the case of cash donations, proof of disbursement made exclusively by traceable means of payment, in particular transfer notices or bank payment slips, with the express exception of cash donations; In this respect, it is specified that donations made in cash are not eligible for the tax credit and cannot give rise to the right to credit;
- for gifts in kind, a descriptive and valued statement of the property, accompanied by proof of ownership and the report of delivery or acceptance.

248. Control services will ensure the material reality of the gifts and the absence of any hidden counterpart. Any finding of duplication with other tax incentive schemes or donations made to non-approved organisations will lead to the immediate reconsideration of the tax credit, accompanied by the penalties provided for in the Manual of Tax Procedures.

▪ **Entry into force and transitional provisions**

249. The provisions of Section 124h of the General Tax Code apply to the annual income tax returns due in 2026, for the financial year ended on 31 December 2025.

250. As a result, eligible donations made during the calendar year 2025 are eligible for the tax credit when the annual declaration is filed in 2026.

○ **<u>SECTION 124</u> – Reduction of personal income tax for cash contributions to the capital of SMEs**

251. Section 124 of the General Tax Code establishes a tax credit for natural persons who are tax domiciled in Cameroon (or liable to income tax on income from Cameroonian sources) intended to encourage cash contributions to the capital of small and medium-sized enterprises (SMEs), in order to expand their financing possibilities and strengthen their equity capital.

▪ **Scope**

252. Subject to compliance with the conditions below, cash contributions are eligible made by the taxpayer for:

- subscribing to the initial capital of an SME; or
- the subscription to a capital increase of an SME.

253. The tax credit is granted when the beneficiary company cumulatively meets the following conditions:

- have its registered office or place of effective management in Cameroon;
- not be admitted to a financial market;
- achieve an annual turnover before tax of less than or equal to 3,000,000,000 CFA francs.

▪ **Conditions relating to the taxpayer and the securities**

254. The benefit of the tax credit is subject to compliance with the following conditions:

- the contributions must be paid up in full at the time of subscription: the right to credit arises from the actual release of the funds and not from the simple legal subscription;
- the subscribed securities must be held for at least five (5) years from their acquisition;
- The taxpayer must be able to justify the reality of the transaction (proof of the

financial flow, deeds of subscription, proof of retention).

- **How to determine the tax credit**

255. The basis of the tax credit is made up of the sums actually paid by the taxpayer. When the subscribed capital is not fully paid up, only the share actually paid up is eligible for the tax credit.

256. A cash contribution is any contribution released by cashless means of payment (bank transfer, certified cheque, cash payment on account) that generates an immediate incoming cash flow.

257. Contributions of movable or immovable property (equipment, patents, goodwill) are thus excluded, even if they are subject to a pecuniary valuation. Similarly, although legally permitted to release capital, the set-off of claims does not constitute an eligible cash contribution within the meaning of this provision, in the absence of effective payment of new funds.

258. The rate of the tax credit is set at 30% of the amount of eligible payments.

259. The tax credit, determined on the basis of the 30% rate, is capped at ten million (10,000,000) CFA francs per taxpayer. When the tax credit exceeds the amount of the annual personal income tax, the excess is carried forward to the following years, within the limit of four (04) financial years.

260. Offsetting the tax credit is exercised exclusively on the personal income tax due for the financial year. This operation is carried out within the framework of the annual declaration provided for in Section 74 bis of the General Tax Code.

<u>Illustration</u>

Case : A taxpayer subscribes, in 2026, **20,000,000 CFA francs** to the capital of an eligible SME. Its gross personal income tax for 2026 is **4,500,000 CFA francs**.

- Basis of the credit: 20,000,000 CFA francs.
- Calculation of the credit: 20,000,000 × 30% = 6,000,000 FCFA.
- Ceiling: 10,000,000 CFA francs (the credit of 6,000,000 is therefore totally deductible because it is less than 10,000,000).
- Imputation: Final personal income tax = 4,500,000 – 6,000,000 = **-** 1,500,000 CFA francs.
- Balance: the balance of 1,500,000 CFA francs can be carried forward within the limit of four financial years.

- **Resumption of the tax credit**

261. The securities subscribed must be held for at least five (5) years from their acquisition. In the event of a transfer, refund or any act resulting in the loss of ownership before the expiry of this period, the tax credit obtained is taken back in respect of the exercise of the termination.

262. The recovery is not applied in the event of death.

- **Miscellaneous provisions**

263. The tax credit is paid when the annual tax return is filed, in accordance with the provisions of Section 74 bis of the General Tax Code. The form must imperatively provide the full identity of the beneficiary company (NIU, head office), the amount of the payments released as well as the commitment to hold the shares for a period of five (05) years.

264. The benefit of the tax credit is subject to the production, at any request of the Administration, of the following supporting documents:

- proof of the actual bank transfer (transfer notice or account statement from the beneficiary company attesting to receipt of the funds);
- a certificate from the company certifying the amount paid, the non-listing of the

securities on the stock exchange and compliance with the turnover threshold (less than or equal to 3 billion CFA francs);

- the notarial declaration of subscription and payment (DNSV) and the deed of subscription or the minutes of the capital increase.

265. The implementation of this system does not require prior authorisation or approval. The validation of the tax credit is the exclusive responsibility of the control a posteriori of the Tax Centres, exercised by means of control or compliance dialogue.

266. The management services must ensure that the investment is real. In particular, it is a question of checking that the operation does not mask an artificial arrangement for exclusively tax purposes or a simple accounting entry without any contribution of fresh capital.

267. The Information Technology Division is instructed to integrate into the management applications dedicated sections allowing the automatic calculation of the tax credit and the chronological monitoring of the holding period of the securities, in order to secure the recovery mechanism in the event of breach of commitment.

▪ **Effective Date**

268. The provisions of Section 124 decies of the French Tax Code apply to subscriptions made as of 1 January 2026. The first tax credits will therefore be paid during the annual declarations filed in 2027 for the 2026 financial year.

- **PROVISIONS RELATING TO VALUE ADDED TAX AND EXCISE DUTIES**

○ **SECTION 127. Clarification and extension of the scope of VAT on real estate transactions**

269. The VAT regime for real estate transactions had, in its previous wording, shortcomings likely to compromise tax fairness and the optimal mobilization of resources.

270. The amendment of Section 127 paragraph 5 of the General Tax Code restores fiscal neutrality by enshrines the precedence of economic reality over legal form. It now expressly subjects to VAT "de facto" developers and the leasing of port, airport and rail spaces.

▪ **Scope**

A. Liability of real estate developers de facto

271. The Finance Law now enshrines the VAT liability of real estate developers in fact.

272. A de facto real estate developer must be qualified as any natural or legal person who regularly carries out real estate development activities with a view to profiting from them, notwithstanding the absence of formal administrative approval.

273. The qualification of de facto developer is based on the repeated and organised completion, with a view to marketing, of real estate marketing operations, such as:

- land development : development, subdivision and land development;
- the construction of works : construction, major renovation or rehabilitation of residential, commercial or industrial buildings;
- Commercial engineering : sale, allocation or rental of real estate complexes, including when these operations are carried out through intermediary structures.

274. The managing departments are instructed to no longer make VAT liability subject to the sole production of a promoter's licence. The assessment of the taxable nature must henceforth result from a factual analysis based on material indicia such as profit-making, the organisation of the means used, the repetition of projects and the existence of marketing acts.

275. As a reminder, the taxable base is made up of the total sale price of the developed land or the built building, plus all the ancillary costs charged to the buyer.

276. In the event of a presumption of a reduction in the declared prices, the competent services carry out an ex officio assessment by referring to the current real estate price market.

277. To this end, the Divisions in charge of Legislation, Information Technology and Reforms, acting in concert with the Inspectorate of Tax Services and the Regional Tax Centers, are required to regularly update the said mercurial.

278. In the case of a gift in payment or exchange, the basis is the value of the goods received in return, estimated at the market price.

B. Rentals port, airport and rail rights-of-way

279. Public entities responsible for the management of port, airport and rail rights-of-way are now assimilated to real estate professionals for their leasing operations.

280. This classification applies when the said entities grant leases or making available, for consideration, the rights of way within their management perimeter.

281. The tax is based on the total amount of rents, royalties or the availability price stipulated in the agreements. It includes all the price supplements and charges invoiced to the occupants, regardless of their name (application fees, maintenance charges, security costs).

282. As regards the regime of leases relating to these rentals, it should be noted that these deeds are exempt from proportional registration duties. However, they remain subject to the formality of registration, which is carried out free of charge and accompanied by the collection of graduated stamp duty and size stamp duties.

- **Entry into force**

283. These clarifications apply to rents/royalties paid from 1 January 2026, including where the lease was concluded previously.

- **<u>SECTION 128.</u>- Clarification of the regime of exemptions related to international traffic and transit**

284. The amendment of Section 128 of the General Tax Code is part of the compliance of national tax legislation with Community standards, in accordance with the requirements of CEMAC Directive No. 01/22-UEAC-CM-33.

285. This reform does not constitute a restriction of the scope of the pre-existing exemptions, but a normative clarification made necessary by the difficulties of interpretation and the recurrent litigation arising from the imprecision of the previous formulation.

286. It now comprehensively identifies tax-free operations in order to provide security for operators in the logistics sector.

287. The practical arrangements for implementing these exemptions will be specified in a specific circular.

- **<u>SECTION 128A</u>.- Opening of the option option for the VAT liability of real estate transactions Non-professionals**

288. Section 128 bis of the General Tax Code enshrines the extension of the right of option for VAT liability to real estate transactions carried out by non-professionals.

289. For the purposes of this Instruction, any natural or legal person who carries out a real estate transaction (sale, rental or development) not referred to in Section 127 (5) of the French Tax Code is considered to be a non-real estate professional.

290. A distinction must be made by the services between the option regime and the de facto tax regime. The option provided for in Section 128 bis of the French Tax Code is at the taxpayer's discretion and concerns an isolated transaction or the management of assets. Its exercise is subject to a formal notification to the Administration no later than 30 January of the financial year.

291. Conversely, the de facto liability provided for in Section 127 paragraph 5 of the FTC is imposed on operators who act in a repeated and organised manner. In this case, the liability does not depend on the operator's will but on the nature of its activity.

292. The option shall be notified in writing to the Head of the tax centre to which the tax office is attached no later than 30 January of the year of application. Once subscribed, this option is irrevocable until the end of the financial year and entails the obligation to comply with the invoicing, declarations and payment requirements attached to the VAT regime.

293. As regards the right of deduction, it concerns only the tax borne on acquisitions made after the option took effect. The exercise of this option excludes the recovery of input tax on stocks or work undertaken prior to the date on which the option takes effect.

294. It should be noted that the provisions of Section 128 bis of the French Tax Code are also applicable to real estate companies (SCIs) whose object remains civil within the meaning of Section 3 (2) of the French Tax Code. The exercise of the option to be subject to VAT does not, in itself, change the legal or fiscal nature of the company and cannot lead to its reclassification as a company with a commercial purpose. The sole effect of this option is to subject the real estate transactions concerned to VAT, under the conditions of ordinary law, without calling into question the tax regime specific to SCIs.

295. This measure comes into force on 1 January 2026 and applies to real estate transactions carried out from that date.

○ **SECTION 131 BIS.- Extension of the exemption from excise duty to clean energy vehicles and harmonization of age criteria**

296. The amendment to Section 131 bis of the General Tax Code extends the exemption from excise duty, initially provided for electric vehicles, to vehicles powered by compressed or liquefied natural gas. This measure is part of the energy transition policy aimed at encouraging the adoption of clean transport technologies.

297. At the same time, the text realigns the age criteria for passenger vehicles, commercial vehicles, public transport and tractors, in order to accommodate in the tax legislation the adjustments already made in the customs tariff.

298. The scope of the exemption from excise duty now covers electric vehicles and motorcycles, as well as vehicles running on natural gas, identified by their respective tariff subheadings

299. Also exempt from excise duty are passenger vehicles with a cylinder capacity of 2,500 cc or less aged between 0 and 12 years, as well as other categories of commercial and transport vehicles, with the exception of agricultural equipment, whose age is between 0 and 15 years.

300. With regard to import operations, the practical arrangements for the implementation of these exemptions are the responsibility of the Customs Administration. It is advisable to refer to the implementing texts and specific circulars issued by the said administration for the processing of these operations at the door.

301. For domestic transactions, in particular in the case of local production or assembly, invoices must be made free of excise duty.

302. The managing services are required to verify that the technical characteristics of the products, as well as their age for the vehicles concerned by this limit, strictly correspond to the eligibility criteria defined by law.

303. These provisions apply to transactions carried out from 1 January 2026.

○ **<u>SECTION 134.-</u> Chargeability of VAT on receipts advance payments for the delivery of goods**

304. Before the entry into force of the 2026 Finance Law, in terms of the supply of tangible movable property, no distinction was made between the chargeable event constituted by the material or legal delivery and the exigibility which is taking place at the same time.

305. Unlike the supply of services, for which the tax is payable as soon as it is received, the tax on the goods was chargeable only after delivery, even in the case of prior receipt of advances or payments on account.

306. Section 134 (1-a) of the General Tax Code, amended by the 2026 Finance Law, harmonizes the VAT liability regime on the supply of goods with that of services concerning advance payments.

▪ **The principle of taxation of advance payments**

307. From now on, in the event of payment of a deposit, an advance or a deposit prior to the delivery of the goods, VAT becomes immediately due when these sums are received.

308. Exigibility is triggered up to the amount actually received. The balance of VAT remains due at the time of final delivery or subsequent payments.

309. As a result, each deposit received before delivery is due VAT on the corresponding fraction of the taxable base. At the time of delivery, VAT is payable on the balance not yet taxed at the time of collection anterior ones.

▪ **Invoicing and reporting obligations**

310. The supplier is required to issue an advance payment invoice mentioning separately the amount of the advance excluding tax and the VAT corresponding to it.

311. When the goods are finally delivered, the final invoice must include the total amount of the transaction and deduct the advance payments already taxed to be subject to VAT the outstanding balance, thus avoiding any double taxation.

312. For control of the chargeability, the date to be used is the date on which the receipt materialises, i.e. the date of the credit to the account for transfers, the date of delivery for cheques or the date of payment mentioned on the receipt for cash.

<u>Illustration</u>

An industrial company orders a machine tool from a local supplier for a total amount of 10,000,000 CFA francs excluding tax.

VAT total of the contract 10,000,000 × 19.25% = 1,925,000 CFA francs

Chronology of operations and tax treatment:

➢ **Step 1:** Receipt of a deposit before delivery. On February 15, the supplier received a deposit of 4,000,000 CFA francs excluding tax.

Tax treatment : The supplier issues a deposit invoice. VAT becomes immediately due on the amount received.

VAT calculation to be collected (February statement) : 4,000,000 × 19.25% = 770,000 FCFA

➢ **Step 2** : Delivery of the property and invoicing of the balance. On 10 June, the machine was delivered. The supplier invoices the balance.

Calculation of the balance excluding VAT : 10,000,000 − 4,000,000 = 6,000,000 FCFA

Tax treatment : VAT is due only on the remaining balance.

VAT calculation to be collected (June declaration) : 6,000,000 × 19.25% = 1,155,000 FCFA

Consistency check (total VAT reversed) : 770,000 + 1,155,000 = 1,925,000 FCFA, which is exactly the amount of VAT shown on the total invoice.

- **Miscellaneous provisions**

313. As of the first quarter of 2026 inspections, the management services will ensure that their reconciliations are no longer limited to invoiced turnover alone. They will conduct a credit cash flow check to ensure that VAT was paid out of the amounts recorded in the accounts of third parties on the balance sheet, regardless of the issue of the final invoice.

314. This provision applies to advance payments received from 1 January 2026, including where the commercial contract was concluded previously.

○ **SECTION 142Institution of the reduced rate VAT on transactions related to social housing**

315. Until 31 December 2025, various operations relating to social housing were exempt from VAT.

316. The Finance Act for the 2026 financial year amended Section 142 of the General Tax Code in order to introduce a reduced rate VAT of 10% applicable to certain operations related to social housing, replacing the previous exemption regime.

- **Scope of the reduced rate (10 %)**

317. In accordance with Section 142 (3) of the French Tax Code, the reduced rate VAT of 10% applies exclusively to the following transactions:

- interest on real estate loans taken out by natural persons when acquiring social housing, provided that it is the acquisition of their first residential house;
- sales of social housing granted to natural persons on the occasion of the acquisition of their first residential house;
- social housing rentals granted by public or semi-public real estate developers.

- **Eligibility conditions and tax clearance**

318. The benefit of the facilities provided for social housing differs depending on whether it is a sale or interest on related loans on the one hand, or rental operations on the other.

A. Transactions for the sale of social housing and related loan interest

319. For sales transactions and interest on loans related to the acquisition of social housing, the benefit of the reduced VAT rate is subject to the prior obtaining of a tax clearance issued by the Tax Administration. The guidelines of Circular No. 004/MINFI/DGI/LRI/L of 24 February 2016 remain in force in this regard.

320. As a reminder, the following cumulative conditions must be met:

- as for the person: the transaction must be carried out for the benefit of a natural person, to the formal exclusion of legal persons, including single-member persons;
- as for the property: the housing must meet the definition of social housing within the meaning of the standards in force, in particular Decree No. 0009/E12/MINDUH of 21 August 2008, and be marketed as part of a duly authorised real estate programme;
- As for the purpose: the transaction must be aimed at the acquisition of the first residential house, this status of first-time buyer being attested by a sworn statement by the applicant attached to the application for discharge.

B. Social housing rentals: exemption from discharge

321. The application of the reduced VAT rate on social housing rents is exempt from the tax clearance procedure. However, the benefit of this advantage remains subject to the requirement for the landlord to prove, during any inspection:

- its status as a public or semi-public real estate developer;

- the compliance of the rented properties with the regulatory standards of social housing.

322. In the event of non-compliance with the above conditions or undue application of the reduced rate, VAT is adjusted at the applicable rate, with the application of the penalties and late payment interest provided for by the tax legislation.

▪ **Obligations of taxable persons and practical arrangements**

323. Taxable persons applying the reduced rate must include, separately on the invoice, the express mention: *"VAT at the reduced rate of 10% – Section 142(3) of the French Tax Code"*, specifying the nature of the transaction (interest on loans, sale or lease).

324. Operators are required to keep and present at any request of the tax authorities, during the legal retention period of documents:

- the supporting documents for the qualification of "social housing" and, in the case of rentals, the public or semi-public status of the landlord;
- any document that establishes the link between the invoiced transaction and the eligible beneficiary.

325. The credit institutions granting the eligible loans and the real estate developers making the sales shall keep an annual summary of the beneficiaries of the reduced rate. This statement shall be attached to the annual declaration of results or produced at the request of the competent services.

326. The said statement must include the following information: identity of the beneficiary, Unique Identifier Number (UIN), identification of the dwelling or real estate project, period concerned, taxable base and amount of VAT paid at the reduced rate.

▪ **Miscellaneous and transitional provisions**

327. In accordance with Section 147 of the French Tax Code, transactions subject to the reduced rate of 10% constitute taxable transactions giving rise to the right to deduct. Consequently, the corresponding turnover must be entered in both the numerator and the denominator for the calculation of the VAT deduction proportion.

328. VAT credits any amounts generated by the application of the reduced rate are dealt with according to the ordinary law mechanisms (imputation, compensation or reimbursement), subject to the conditions and procedures provided for in Sections 149 et seq. of the General Tax Code.

329. It is recalled that the acquisition of eligible social housing benefits, when they give entitlement, to free registration. Consequently, the proportional duties are not payable. However, the formality remains mandatory and gives rise to the collection of the graduated stamp duty and the size stamp, in accordance with the regulations in force.

330. The provisions relating to the reduced rate apply to transactions for which the chargeable event occurs on or after 1 January 2026.

○ **SECTION 142 (6).- Reorganisation of the excise duty on digital audiovisual packages**

331. The 2022 Finance Act introduced an excise duty at a single rate of 12.5% on digital audiovisual packages.

332. The amendment to Section 142 (6) of the General Tax Code introduces progressive pricing based on the value of the package, guaranteeing tax fairness while preserving access for low-income households.

▪ **Scope**

333. All packages of programmes, video content, films or series provided digitally are subject to this right. This expressly includes:

- television offers (cable, satellite, digital terrestrial television, etc.);

- streaming services (known as "streaming" or "over the top");
- bundles marketed under a single name.

334. "Bundled offers" means the simultaneous marketing of several packages, options or thematic content (e.g. "Sport", "Cinema", "Youth") as part of a single or linked subscription.

335. For the purpose of determining the applicable tax bracket, the amount to be taken into account is the total cumulative price paid by the customer for access to all the services.

336. Consequently, any practice consisting of artificially splitting a single commercial offer into several sub-packages of lower values, with the aim of unduly benefiting from the exemption or the reduced rate, is not enforceable against the tax authorities. In such a case, the excise duty is recalled on the basis of the actual total value of the offer subscribed to.

337. The tax is collected by any supplier, whether established in Cameroon or abroad, as long as the service is provided to a final consumer residing in Cameroon.

▪ **Application and fees**

338. Taxation is carried out according to a progressive scale based on the sale price excluding tax of the package, excluding the costs of installation or rental of equipment:

- *social bracket* : for packages whose price is less than or equal to 5,000 CFA francs, the rate is 0% (exemption);
- *intermediate bracket* : for packages priced between 5,001 and 10,000 CFA francs, the excise duty is due at the rate of 5%, increased by 5% for the CACs;
- *upper bracket* : for packages priced above 10,000 CFA francs, the excise duty is due at the rate of 12.5%, increased by 5% for the CAC.

339. In the event of a price change or promotion that changes a package of bands, the new rate applies from the next renewal of the subscription.

▪ **Entry into force**

340. These provisions apply to subscriptions taken out or renewed from 1 January 2026.

○ **SECTION 142 (8).- Readjustment of the specific excise duty on alcoholic beverages**

341. Section 142 (8) of the General Tax Code readjusts the rates of the specific excise duty applicable to wines, whiskies and champagnes.

342. For the strict application of the law, it is specified that this amendment does not concern the following categories, whose rates remain unchanged:

- beers: the amounts of the additional specific excise duty remain set at 75 CFA francs for 65 centilitre containers and 37.5 CFA francs for 33 centilitre containers;
- locally produced "mixed alcohols": the price remains at 2 CFA francs per centilitre.

343. As a result, management departments and technical divisions are required to maintain the existing liquidation settings for these two product categories without modification.

344. For products falling within the scope of the reform, the new rates of the specific excise duty, paid per centilitre, are fixed as follows:

Product category	Old rate	New Tariff	Observation

Beers 65 cl	75 f / unit	75 f / unit	No change
Beers 33 cl	37.5 f/unit	37.5 f/unit	No change
Local-alcohol mix	2 f/cl	2 f/cl	No change
Wine premises	2 f/cl	5 f/cl	Modified
Locals-whiskies	8 f/cl	15 f/cl	Modified
Champagne rooms	25 f/cl	35 f/cl	Modified
Imported (lower range)-mixed alcohols	3 f/cl	5 f/cl	Modified
Imported (lower range)-wines	3 f/cl	10 f/cl	Modified
Imported (lower range)-whiskies	10 f/cl	20 f/cl	Modified
Imported (lower range)-champagnes	30 f/cl	40 f/cl	Modified
Imported (Upper Range)-Mixed Alcohols	6 f/cl	10 f/cl	Modified
Imported (Upper)-Wine	6 f/cl	15 f/cl	Modified
Imported (top range)-whiskies	20 f/cl	30 f/cl	Modified
Imported (upper range)-champagnes	60 f/cl	100 f/cl	Modified

345. It should be noted that this specific excise duty is of an additional nature. Its application does not exempt persons liable from payment of ad valorem excise duty, based on value, which remains chargeable under the rules of ordinary law. These two components of taxation are cumulative and must be liquidated simultaneously.

346. The above rates are increased by 5% for the CACs.

347. These provisions shall enter into force for operations carried out from 1 January 2026.

- **<u>SECTION 149.</u>- Adjustment of the right to repayment of loans VAT to carriers and marketers**

348. The Finance Law for the 2026 financial year makes two changes to the loan repayment regime VAT:

- On the one hand, it provides a strict framework for the reimbursement requested by distributors of petroleum products (marketers)) henceforth limited solely to appropriations from investments linked to the construction of service stations;
- on the other hand, it confirms at the legal level the eligibility for reimbursement, under the conditions of ordinary law, of transport companies in a situation of structural credit as a result of inter-CEMAC transit operations.

- **The case of marketers (petroleum distributors)**

349. Repayment of loans VAT for the benefit of marketers is now regulated and limited only to the credits resulting from investments made in the construction of service stations.

350. In particular, the following are considered to be eligible investment expenses, subject to compliance with the general deduction rules:

- construction and civil engineering works directly related to the construction of a service station;
- the equipment and installations that make up the infrastructure (tanks, pumps, pipes, safety and measurement devices, as well as inseparable technical equipment);
- the services necessary for the implementation of the project (technical studies, project management, and reception), as long as they are directly related to it.

351. Conversely, the following remain excluded from the scope of reimbursement under this scheme:

- VAT on the purchase of petroleum products and similar products intended for resale;
- operating expenses (rent, energy, communication, management services not related to the construction, routine maintenance);
- any expenditure for which the connection with the construction of a service station is not established with certainty.

▪ **The case of inter-CEMAC transit operators**

352. The Finance Law for the 2026 financial year confirms eligibility for the repayment of loans VAT companies in a situation of structural credit resulting from the implementation of inter-CEMAC transit operations.

353. In addition to the common law documents, the application must include:

- a summary of transit operations for the period mentioning the nature, volumes, routes and references of the partners;
- proof of transit and transport (customs documents, transport documents or equivalent documents);
- a breakdown statement of the invoices that generated the VAT deductible, accompanied by traceable proof of payment (invoices paid in cash being strictly excluded);
- proof of the consistency between the credit requested and the periodic declarations.

▪ **Common provisions and special cases**

354. It is recalled that requests for reimbursement must meet all the formal conditions provided for by the legislation in force. The division in charge of litigation is required to scrupulously ensure the formal regularity of the files.

355. Finally, with regard to the clarification and clarification measures that do not entail any change in the basis of assessment or tariffs, these are immediately applicable, including for the reimbursement procedures currently under investigation.

- **PROVISIONS RELATING TO SPECIFIC FEES**

o **SECTIONS 228 septies et seq.. Introduction of an environmental tax on certain products with a high ecological footprint**

356. The Finance Act for the 2026 financial year introduces, through Sections 228 septies et seq. of the General Tax Code, an environmental tax applicable to certain products with a high ecological footprint.

357. This reform rationalises ecological taxation by grouping previously scattered levies under a single tax regime, based on the polluting nature of the products released for consumption.

▪ **Scope**

358. The tax applies, whether locally manufactured or imported, to the following products:

- cement;
- rebar;
- tiles and ceramics;
- non-returnable packaging;
- plastic products (excluding packaging).

- **Taxable persons**

359. The tax is payable by natural or legal persons having the status of:

- local producers: any established industrial or craft unit that manufactures, processes or assembles the products concerned, including when these products are packaged in packaging acquired from third parties, regardless of whether or not the unit manufactures such packaging.
- importers: any person importing or introducing the products concerned into the national territory under the procedure for release for consumption.

360. The tax is borne exclusively by producers and importers. Thus, any repercussions on the final bill are prohibited.

- **Determination of the tax base and tax bases**

361. The basis of the environmental tax is determined according to the nature of the products: the net weight, the physical unit or the value.

- **The "weight" base: cement, iron, tiles**

362. For these products, the basis of assessment is the total net weight expressed in tonnes. The taxable weight is that shown on the weighing slips, sales invoices or customs declarations. The services will ensure that the weight of transport packaging (pallets, containers) is deducted and only the net product is taxed.

- **The "unit" database: non-returnable packaging**

363. For non-returnable packaging, the basis of assessment is the number of physical units of the packaging. In the case of grouped packaging (bundles, cases), the tax applies to each individual container (bottle, can, bottle).

- **The "value" basis: plastic products**

364. For plastic products, the basis of assessment is the value as follows:

- **on import** : the CIF (Cost, Insurance, Freight) value retained by the Customs Administration for the settlement of gate duties;
- **in local production** : the selling price excluding taxes, net of discounts, rebates and rebates granted on invoice.

- **Prices**

365. The tariffs are applied according to the following scale, in strict compliance with the capping mechanisms:

Product category	**Basis unit**	**Applicable rate**	**Capping mechanism**
Cement	Ton	2,500 FCFA	None
Reinforcing Bars	Ton	5,000 FCFA	None
Tiles and ceramics (local)	Ton	10,000 FCFA	None
Tiles and ceramics (import)	Ton	15,000 FCFA	None
Non-returnable packaging (beverages)	Unit	15 FCFA	None
Other non-returnable packaging	Unit	5 FCFA	Maximum 5% of the value excl. VAT
Plastic products (excluding packaging)	Value excl. VAT	5 %	Maximum 1,000 FCFA / unit

366. It is recalled that:

- for other packaging, the tax is CFAF 5 per unit, unless this amount exceeds 5% of the value of the product. In this case, the tax is reduced to 5% of the said value;
- for plastic products, the tax is 5% of the value, but the amount collected may not exceed

CFAF 1,000 per unit of the product.

- **Assignment**

367. The proceeds of the environmental tax are entirely allocated to the general budget of the State.

- **Reporting and collection procedures**

368. For products manufactured on the national territory, the rules for settlement and recovery are set as follows:

- The chargeable event is the supply of the goods, understood as the transfer of the right to dispose of the property as owner. As regards self-deliveries, the chargeable event coincides with the first use of the product;
- the tax becomes chargeable at the time of the occurrence of the chargeable event;
- the tax is declared online by the taxpayer using a form whose model is decided by the Tax Administration. The spontaneous repayment of the duties must be made to the tax collector to which the tax is attached, no later than the 15th of the month following the month in which the tax is due intervened.

369. For imported products, the procedure is governed by the mechanisms specific to the Customs Administration. The operative event is the crossing of the customs cordon. The assessment and collection of the tax is carried out by the Customs Administration on behalf of the Public Treasury, simultaneously with the customs duties. Recovery follows the same rules, privileges, requirements and penalties as those applicable in customs matters.

- **Entry into force**

370. These provisions apply to transactions carried out from 1 January 2026. Taxpayers must submit their first declaration by 15 February 2026 at the latest.

○ **SECTION 240 A.- Clarification of the tax regime for quarries of public utility**

371. Section 240 bis of the French Tax Code specifies the tax regime applicable to quarries declared to be in the public interest by reiterating the principle of ring-fencing tax benefits. This provision puts an end to the interpretation tending to extend unduly the exemption linked to the status of the quarry to the whole of production.

372. The tax regime for the quarry is now divided into two distinct compartments, depending on the use of the materials extracted:

- "Public Project" compartment (preferential regime): the extraction and supply of materials strictly and exclusively intended for the construction of the public utility structure remain covered by the exemptions provided for by the Mining Code;
- "Commercial" compartment (common law): any extraction or sale of materials carried out outside the needs of the project (sale to individuals, other companies, or use for other non-eligible sites) is fully subject to taxes and duties under common law.

373. For these commercial transactions, the company must pay:

- Value Added Tax (VAT)) on sales;
- Corporate Tax on the margins achieved;
- Royalties mining and surface taxes at the rates of ordinary law;
- the extraction tax.

374. The benefit of the derogatory tax regime attached to the public utility project is subject to the keeping of separate accounts. This must make it possible to trace, in a distinct and convincing manner, the quantities of materials allocated to the project and those transferred to third parties.

375. In the absence of an accounting system that would allow the flow to be isolated, the entire production of the quarry is deemed to be commercial. Consequently, the entire turnover achieved is subject, by operation of law, to taxes and duties under ordinary law.

376. These clarifications, which are of an interpretative nature, are immediately applicable, including for ongoing audits relating to non-prescribed financial years.

- **SECTION 243.- Clarification of exigibility of the annual forest royalty**

377. The amendment of Section 243 of the French Tax Code puts an end to the differences of interpretation relating to the concept of "notification of the forest title", by setting a starting point for the determination of exigibility of the Annual Forestry Royalty (RFA).

- **New chargeability rules**

378. For the purpose of determining the date on which the RFA is due, it is now necessary to distinguish according to the nature of the exploitation title:

- for operating agreements (concessions): the exigibility is set at the date of signature of the agreement by the competent authority;
- for cup sales: the exigibility is set at the date of signature of the Allocation Order by the Minister in charge of Forests.

379. Consequently, preparatory acts, such as the notification of the results of the Interministerial Commission or any correspondence prior to the official signature, can no longer serve as a basis for exigibility of the FRG. No prosecution action can be validly initiated on the basis of these documents alone.

380. Conversely, as soon as the administrative act is signed, the RFA is due and payable and the assessment and collection services are required, in the event of non-payment within the legal deadlines set by the CGI, to issue the collection orders and, if necessary, to initiate all the forced recovery measures provided for in the Manual of Tax Procedures.

381. It should be noted that, in accordance with the provisions of Section 243 of the French Tax Code, the forestry fee is paid according to one of the following two methods at the taxpayer's choice:

- quarterly payment: it is made in three (03) instalments of equal amount, no later than 15 March, 15 June and 15 September;
- Monthly payment: this is a permanent option to pay the fee by the 15th of each month at the latest.

- **Miscellaneous provisions**

382. The Information Technology Division and the Forest Revenue Security Program (PSRF) must ensure the effective functioning of the real-time transmission of orders for the allocation of logging sales via the common MINFI-MINFOF platforms. This dematerialised transmission serves as an operational alert, obliging the assessment services to take charge of the file without delay, without waiting for the taxpayer to physically transmit the file.

383. These provisions are immediately applicable to all titles allocated from 1 January 2026. For previous applications, the exigibility remains assessed in accordance with the rules applicable to the period under consideration.

- **PROVISIONS RELATING TO THE MANUAL OF TAX PROCEDURES**

- **SECTION M 2 a.- Clarification of the application of the pre-filled declaration procedure over time**

384. The Finance Law for the 2024 financial year has extended the pre-filled declaration procedure cases of manifest insufficiency of reporting, whereas this mechanism was initially limited to the lack (absence) of subscription.

385. However, there was still uncertainty as to the application of this regularisation method to the shortcomings identified in respect of financial years prior to the entry into force of the said reform. The amendment to Section L 2 bis of the Manual of tax Procedures (MTP) removes this ambiguity by confirming the exclusively procedural nature of this measure, which applies to all periods not covered by the statute of limitations.

386. From now on, it is formally established that the pre-filled declaration procedure may be validly implemented for any non-prescribed period, including those prior to 2024, provided that the Administration identifies:

- either a failure to declare (failure to subscribe);
- or a manifest insufficiency of declaration, when the evidence at its disposal makes it possible to establish a tax base that is more faithful to economic reality.

387. To this end, the Administration is authorised, as of 1 January 2026, to initiate the procedure under Section L 2 bis for the following financial years:

- financial years 2022, 2023, 2024 and 2025: periods for which the limitation period is still open at the time of the entry into force of the 2026 Finance Law;
- 2021 financial year: on the imperative condition that the procedure was validly initiated before 31 December 2025, the date on which this financial year expires.

- **<u>SECTION M 2 b</u>.- Strengthening of cooperation between the tax and customs administration**

388. The 2026 Finance Law amends Section M 2 b of the MTP to strengthen the scope of the file of active taxpayers. The reform enshrines two developments:

- registration in the file of active taxpayers now targets taxpayers who are up to date with their tax and customs obligations;
- Ex officio withdrawal occurs in the event of a failure to declare or upon notification by the customs administration for customs non-compliance.

389. Maintaining the Active Taxpayer File no longer depends exclusively on declarative compliance with the DGT. Irregularities with the Customs Administration automatically lead to the removal of the file.

390. As a reminder, automatic withdrawal is pronounced in the following cases:

- for professional taxpayers: in the event of a failure to file a tax declaration over two (02) consecutive months or on a customs notification of non-compliance;
- for non-professional taxpayers : from the first annual declaration not subscribed.

391. In any event, any taxpayer, professional or non-professional, who is not up to date with his tax and customs obligations in accordance with the conditions set out in the above point, must automatically be removed from the Active Taxpayer File. This withdrawal entails, among other things, an immediate ban on carrying out any import or export operation.

392. It is specified that this automatic withdrawal is without prejudice to the other sanctions and fines provided for by the tax and customs legislation in force, in particular penalties for late declaration or fines for customs offences.

393. Re-registration in the Active Taxpayer File may only take place after full regularization of the tax or customs situation that led to the withdrawal. The taxpayer is required to produce proof of compliance with the competent services before any reactivation of his status.

394. The Information Technology Division, the Directorate in charge of Collection and the Division in charge of Statistics and Simulations are required to:

- ensure the interconnection of files with the customs services;
- remove taxpayers who do not comply with the customs plan from the DGT file;

- Automate the transmission of non-compliance notifications to ensure that the file is removed immediately.

395. These provisions shall take effect from 1 January 2026.

○ **SECTION M 3 a.- Publication lists of taxpayers according to their tax situation**

396. The Finance Act for the 2026 financial year has introduced, in Section L 3 bis of the Manual of Tax Procedures, a mechanism authorising the Tax Administration to make public, at a frequency that it determines, the list of taxpayers classified according to their tax situation, namely:

- taxpayers who are up to date with their obligations;
- inactive taxpayers;
- taxpayers removed from the Tax Administration's file.

397. The publication of these lists shall be carried out in accordance with the procedures provided for in Section M 3 of the same Manual. As such, the media, forms, conditions for making available to the public, as well as the rules for updating, are those specified by the circular setting out the terms and conditions for the application of the Finance Act for the 2025 financial year.

398. It is recalled that notification by means of public communication in the event of a taxpayer's failure to declare falls within the exclusive competence of the Minister of Finance, after a reasoned opinion from the Director General of Taxes, in accordance with the provisions of Section L 3 of the Manual of Tax Procedures.

399. The services are invited to ensure the reliability of the data feeding these lists (status, reference period, date of last declaration, decision to remove them from the list, if applicable) and to guarantee the traceability of updating operations, in order to prevent any erroneous publication likely to affect the rights of taxpayers and the credibility of the information disseminated.

400. To this end, the data consolidated by the managing centres are transmitted to the DGT, which has the necessary consistency checks carried out by the structure in charge of statistics before any transmission to the Minister for publication.

401. The provisions of Section L 3 bis shall apply from 1 January 2026.

○ **Section M 6 b.- Strengthening of responsibility Statutory auditors and sanctions regime**

402. The amendment of Section L 6 b of the Manual of Tax Procedures aims to prevent any complacency in the certification of accounts. It specifies the breaches likely to incur liability and establishes a system of disciplinary measures with a deterrent effect, in order to guarantee the reliability of the financial information used as a basis for taxation.

▪ **Failures giving rise to liability**

403. The statutory auditor is liable when it is established that he has, by an unqualified certification or by an opinion that is inappropriate in the light of the anomalies observed, validated financial statements containing serious irregularities likely to alter the sincerity of the accounts and to mislead the tax authorities.

404. This liability can only be sought when the irregularities in question:

- were known to the auditor;
- could not reasonably escape it in the light of the diligence normally expected according to the applicable professional standards;
- have not resulted in an appropriate opinion (reservation, negative opinion or abstention from opinion) or explicit references in the reports issued

405. In particular, the following are targeted:

- the validation of financial statements containing false invoices, without qualification or

appropriate observation;
- concealment of turnover, not indicated by an appropriate opinion or explicit reservations;
- the deliberate omission of material information, not mentioned in the auditor's report;
- any other manoeuvre having the effect of deceiving the tax authorities, when it has not been brought to the attention of the users of the accounts by an opinion or adequate information.

- **Competent authorities and disciplinary measures**

406. Without prejudice to the civil and criminal liability that may be incurred in accordance with the texts in force, the tax authorities, when they identify facts likely to constitute professional misconduct attributable to an auditor, may bring these facts to the attention of the legally competent authorities, for the purposes of examination and, if necessary, disciplinary proceedings.

407. As such:
- at the national level, the tax administration may transmit a detailed report to the National Order of Chartered Accountants of Cameroon (ONECCA), under the supervisory authority of the Minister in charge of Finance, so that the latter can assess the appropriateness of initiating disciplinary proceedings in accordance with the applicable professional rules;
- At the Community level, when the seriousness of the facts or their scope goes beyond the national framework, the tax authorities may report the breaches observed to the competent Community authorities provided for in the CEMAC texts, through the intermediary of the competent national authorities, for the purpose of examining the action that may be taken with regard to the provisions applicable to the regional register of chartered accountants and auditors. accounts.

408. Disciplinary proceedings initiated by the tax authorities are independent of any civil or criminal actions that may be brought.

409. The tax authorities are not required to wait for the outcome of judicial proceedings before transmitting the facts to the competent authorities, provided that the alleged breaches are sufficiently established in the light of the evidence gathered and that the auditor concerned has been given the opportunity to present his observations in the context of an adversarial procedure respecting the rights of the defence.

- **Implementation modalities**

410. The indictment of the auditor is governed by a procedure that is separate from that applicable to the audited taxpayer, which is structured as follows:
- The constitution of the file: the control services gather the elements materializing the breaches (supporting documents, analyses of bundles, cross-checks), by demonstrating that the irregularity was detectable with regard to the due diligence expected according to professional standards;
- The adversarial procedure (right of reply): before any referral to the competent authorities, the objections are notified to the auditor concerned. The latter has a period of thirty (30) days to produce its written observations and justify its diligence (work files, reservations, alerts, mission limitations);
- centralisation and referral: when the explanations provided are deemed insufficient, the file is sent to the central administration for consolidation. The formal referral to the Minister of Finance (for the warning) or the transmission of the file to the CEMAC Commission (for deregistration) is carried out at the diligence of the Director General of Taxes.

- **Supervision of certification fees**

411. Pursuant to the provisions of Section L 6 ter (5) of the General Tax Code, the fees and expenses relating to the tax review mission are set by a specific text of the Minister in charge of Finance.

412. Pending the enactment of the said text, the finalization of which is ensured by the competent services in consultation with the National Order of Chartered Accountants of Cameroon (ONECCA), the contractual terms in force remain applicable, subject to the adjustments that will result from the regulatory provisions to be made.

- **Entry into force**

413. These provisions shall apply from 1 January 2026.

- **<u>SECTION M 6 c</u>.- Obligation to conduct a tax review for some companies**

414. In accordance with the provisions of Section L 6 quarter of the Manual of Tax Procedures, any taxpayer subject to the actual tax regime and fulfilling certain criteria is required to annex to his Statistical and Fiscal Declaration (DSF) a tax review report.

- **Scope**

415. Taxpayers, natural or legal persons, whose annual turnover is equal to or greater than one (01) billion CFA francs, are subject to this obligation.

416. The threshold of 1 billion CFA francs is assessed for the financial year for which the DSF is subscribed, on the basis of turnover excluding taxes.

417. The tax review report is drawn up exclusively by a Tax Advisor who can cumulatively prove:

- a valid CEMAC approval;
- his registration on the roll of the National Order of Tax Advisors;
- the possession of a valid insurance policy for the current year;
- professional liability insurance covering the activity of tax review.

- **The tax review report**

418. The tax review consists of the critical examination of a taxpayer's overall tax situation by a CEMAC approved tax advisor, with the aim of improving compliance with tax legislation. It gives rise to the preparation of a report which must include, at least:

- the identification of the taxpayer;
- the scope of the due diligence carried out;
- Compliance issues examined.
- the documents used;
- recommendations made to the company to regularize the points of non-compliance;
- a reasoned conclusion on overall fiscal coherence.

419. The Tax Council may attach reservations to its tax review report when it finds uncertainties, due diligence limitations or anomalies that have not been corrected by the taxpayer. Reservations must be formulated in a clear, reasoned and, where appropriate, quantified manner.

420. It is specified that the production of this report does not entail any tacit validation of the DSF by the Administration, nor the certification of the DSF by the tax advisor, nor the limitation of the right to take back the latter.

421. Upon receipt of the DSF, the services systematically check the taxpayer's compliance with the tax review and the presence of the report.

422. In the event of failure to file after a formal notice has been sent to the following without effect, the fine provided for in Section L 6 quarter of the MTP shall be applied, namely:

- 10,000,000 CFA francs for taxpayers under the Directorate of Large Enterprises (DGE);
- 5,000,000 FCFA for taxpayers under the other Tax Centers (CIME, CSI).

- **Professional liability and fees**

423. The tax advisor is bound by an obligation of means in the accomplishment of its mission of tax review. However, he is liable for faults or negligence committed in the execution of the latter. In the event of manifest breaches that the tax review should have detected with regard to the applicable professional standards, the Administration may refer the matter to the CEMAC Commission for suspension or withdrawal of approval, after an advisory opinion from the National Order of Tax Councils of Cameroon.

424. The Tax Council cannot be held liable for inadequacies or omissions resulting from the taxpayer's refusal to take into account the reservations and recommendations expressly mentioned in the report, provided that these reservations have been brought to its attention in writing.

425. Tax review fees provided for in Section L6 quarter of the MTP, are set by a specific text of the Minister of Finance. In the meantime, contractual practices apply. The Legislation Division is instructed to finalize, in conjunction with the National Order of Tax Advisors, the draft specific text setting out the scale of fees.

- **Entry into force**

426. The provisions of Section L 6 quarter of the MTP apply to Statistical and Tax Declarations subscribed as of January 1, 2026 for the financial year ended December 31, 2025.

- **<u>SECTION M 8 a</u>. - Extension of the cap on tax payment costs to payment institutions**

427. The amendment of Section L 8 bis of the Manual of Tax Procedures extends the mechanism for capping tax payment fees, previously applicable to banks and payment institutions (in particular mobile telephone and money transfer operators), by subjecting them to the same tariff requirements.

428. From now on, the fees payable by financial institutions and payment institutions when paying taxes (transfers, electronic payments), including the fees relating to the issuance of the transfer certificate, must be between five hundred (500) CFA francs and ten thousand (10,000) CFA francs.

429. In any event, these fees must in no case exceed ten percent (10%) of the principal amount of the tax paid.

430. Failure to comply with these thresholds exposes the offending financial or payment institution to an administrative fine equal to one hundred percent (100%) of the amount of the fees unduly invoiced in excess of the legal ceilings.

431. In order to effectively implement this provision, the Collection Directorate, in conjunction with the Tax Studies, Planning and Reforms Division, is responsible for carrying out a systematic audit of all the memoranda of understanding between the Tax Administration and the financial partners.

432. Agreements containing tariff clauses contrary to the requirements of Section L 8 bis shall be deemed unwritten for the part exceeding the legal thresholds. They will have to be the subject of compliance amendments as soon as possible.

433. The extended cap on payment fees applies to any transaction carried out from 1 January 2026.

- **<u>SECTION M 8 sexies</u>.- Establishment of the real-time taxation regime**

434. Section L 8 sexies of the MTP, introduced in the 2026 Finance Act, enshrines the real-time taxation regime.

435. Real-time taxation is a collection method consisting of the immediate, automatic and secure collection of tax at the time of carrying out a transaction. Unlike the ordinary law regime, the tax is collected instantaneously through an electronic interconnection device that ensures the continuous transmission of data to the Tax Administration and the concomitant repayment of the revenues to the Receiver's accounts.

436. For distribution operations of petroleum products and natural gas for industrial use, real-time taxation is carried out by means of withholding tax. This collection is carried out by the Cameroon Petroleum Depot Company (SCDP), the National Refining Company (SONARA), as well as gas production or distribution companies, at the time of collection or delivery of the products.

437. The terms and conditions for the implementation of this scheme are referred to an order of the Minister of Finance.

438. The Divisions in charge of Legislation and Reforms respectively are instructed to finalize, without delay and in consultation with technical partners, the draft texts for the implementation of this reform.

○ **SECTIONS M 9 and M 11- Rationalisation of control actors tax**

439. Until 31 December 2025, the power to exercise control tax and carrying out accounting audits was reserved only for sworn Tax Inspectors. The amendments made to Sections L 9 and L 11 of the Manual of Tax Procedures by the 2026 Finance Act lift this barrier by entrenching two openings:

- the extension of the audit competence to Tax Inspectors sworn in ;
- the possibility of involving lower-grade officers.

▪ **Extension of the audit competence to Tax Auditors**

440. As of January 1, 2026, the power to exercise control tax is no longer the exclusive prerogative of the Tax Inspectors. As a result of the amendments to Sections L 9 and L 11 of the MTP, it has been extended to Tax Inspectors sworn in.

441. Thus, in the Tax Offices where no Inspector is assigned or available, the sworn Inspectors are authorized, by operation of law, to conduct all control procedures (accounting audits, VSFE, checks on documents, etc.) under the hierarchical supervision of the Head of Structure.

442. They validly sign all procedural documents, in particular audit notices, notifications of adjustments, minutes, etc.

▪ **Assistance during inspections**

443. Sections L 9 and L 11 of the MTP provide for the possibility for the auditor (Inspector or Controller) to be assisted, during on-site operations, by any agent, including those of lower grade duly equipped with their professional card.

444. Assistance may include:

- technical support (data extraction, file processing, exploitation of reports from computerized systems);
- administrative and material support (collection, classification, inventory, reproduction, preparation of work materials);
- support for the formatting and entry of data useful for the analyses.

445. This assistance cannot be regarded as a replacement: the assistant officer cannot, in this capacity, perform the procedural acts reserved to the inspector or the controller responsible for the inspection (conduct of the procedure, assessment of findings, decision on increases, signing of deeds, etc.).

446. The identity and capacity of the assistant agents must be mentioned in the delivery notices.

▪ **Miscellaneous provisions**

447. The procedural acts carried out by a sworn Inspector under the conditions defined above have the same legal value as those carried out by an Inspector. No nullity may be raised by the taxpayer solely on the basis of the grade of the verification agent, provided that the latter has taken an oath.

448. All inspectors, controllers and assistant agents involved in control operations are reminded tax and accounting audits that strict compliance with professional secrecy, the rules of ethics and confidentiality obligations is imposed on everyone.

449. The provisions of the Sections L 9 and L 11 of the General Tax Code, as amended by the Finance Act for the financial year 2026, are applicable as of January 1, 2026, including Control procedures Ongoing on that date, subject to compliance with the rights and guarantees of taxpayers.

450. To this end, the brigade commanders will, whenever necessary, establishCorrective notices of passage or any equivalent act, in order to integrate the sworn controllers and assistant agents now authorised to intervene in the control chain tax and to ensure their formal identification.

451. The General Affairs Division will take all necessary measures to ensure that the staff concerned have access to Business cards and have taken an oath. It will also work with the division in charge of control tax, at theorganisation of appropriate training for the benefit of inspectors, controllers and assistant agents.

- **Sections M 19 and M 30 a. - Strengthening of the automatic taxation system in the event of rejection of computerized accounting**

452. The Finance Law for the 2026 financial year makes an adjustment to Sections L 19 and L 30 bis of the Tax Procedures Manual (MTP). These changes aim to secure the audit of accounting IT systems through two levers:

- the obligation to immediately issue a forgery-proof Accounting Records File (FEC);
- the supervision of the procedure for rejecting accounts in the event of data alteration or obstruction of digital investigations.

- **Delivery of the file of accounting entries (FEC) and prohibition on modification**

A. The delivery of the file of computerized accounting entries

453. Any taxpayer whose accounts are kept by means of computerised systems is required to submit the on site, the Accounting Entries File (FEC) for the audited period in a usable dematerialised form.

454. This handover takes place as soon as the work on site begins and must be recorded, in particular by mention in the opening report or any equivalent act.

455. The usable form is exclusively structured files (in particular CSV, XML or Excel) allowing the departments to effectively sort, reconcile and extract. The delivery of unstructured formats (such as PDFs or screenshots) is considered null and void and is equivalent to an obstacle to control tax. The same applies to the failure to deliver the said files.

B. The prohibition of modification of the file of computerized accounting entries

456. From the date of submission of the file of accounting entries, any change in the accounts relating to the period in question is prohibited.

457. The services will ensure, as soon as the operations are opened, that the taxpayer is expressly reminded of this prohibition and that checks are organised, whenever necessary, to ensure the integrity of the data transmitted, in particular by comparing the supporting documents and examining the available technical traces.

458. The prohibition on modifying the file of accounting entries is absolute. It applies to any intervention, alteration, correction, deletion or addition of entries, whatever the nature or justification, as long as it relates to the period covered by the file submitted.

C. The obligation to keep a log of the file of computerised accounting entries

459. Accounting systems must also keep an unalterable technical audit log, tracing any creation, modification or deletion of accounting entries, with indication of the timestamp and user identifier, for a minimum period of ten (10) years. The departments may require that it be communicated, as necessary, in order to assess the reliability of the accounts and the reality of the entries. This log is kept for traceability and control purposes and cannot be interpreted as authorising the modification of accounting entries in breach of the prohibition provided for in the above point.

460. In the event of a discrepancy duly noted in the minutes between the accounting documents and the file of accounting entries Transmitted at the beginning of the work on site, the administration may reject the accounts for lack of reliability and proceed with the taxation ex officio according to the available bases, in accordance with the applicable provisions. The burden of proving the authenticity and sincerity of the entries lies with the taxpayer, who must establish that the data transmitted are in accordance with the actual accounts and are not altered. He must thus establish the concordance between the file transmitted, the technical traces (logs) and the physical supporting documents.

- **Rejection of accounting for alteration or obstruction of the audit**

461. Under the provisions of Section L 30 bis of the MTP, two specific breaches justify the total or partial rejection of computerised accounting :

A. Alteration of handwriting

462. Any modification, deletion or falsification of accounting entries or documents after the submission of the file of accounting entries constitutes an alteration of accounting entries.

463. In such a case, the services draw up a report of findings specifying the nature, extent and period of the changes noted. This report is notified to the taxpayer, who has a period of eight (08) days to submit his observations and written justifications.

464. At the end of this period, and after examining any observations made by the taxpayer, the departments assess the merits of the justifications presented and, if necessary, proceed to the total or partial rejection of the accounts, in accordance with the provisions of Section L 30 bis of the Manual of Tax Procedures.

465. The services will ensure that any objective evidence corroborating the findings is annexed to the file, in particular extracts, comparative statements, copies of documents and, where appropriate, relevant extracts from the technical audit log.

B. Hindrance to IT auditing

466. The refusal to give the verifying agents or their designated experts access to the computer system, to the files of accounting entries or to the data necessary for the audit of the entries and the examination of audit trails constitutes an obstacle to the computer audit.

467. In such a case, the services send a formal formal notice, notified by any means allowing the date of receipt to be established, inviting the taxpayer to give the required access within eight (08) days. At the end of this period, the refusal shall be recorded on the basis of a report of deficiency, drawn up by both parties or, failing that, with the taxpayer's refusal to sign it.

C. Ex officio taxation

468. At the end of the above-mentioned periods, in the absence of convincing justification, the rejection becomes final and automatically entails automatic taxation according to the available bases.

469. Implementation of ex officio taxation following the rejection of computerized accounting is carried out in accordance with the requirements of Circular No. 002/MINFI/DGI/DC/DCCX of January 6, 2017. The heads of the operational structures will ensure strict compliance with the adversarial principle and that all the material and digital evidence (extractions, logs) on which the rejection is based is kept in the file.

- **Entry into force**

470. These provisions apply to all control operations tax applications opened as of 1 January 2026, as well as to the control operations in progress on that date, for the remaining due diligence.

- **SECTION M 20 A.- Clarification of the temporal scope of the procedure for recalling rights following the audit Companies approved for derogatory regimes**

471. With the 2025 Finance Act, the legislator has strengthened the prerogatives of the tax and customs authorities in terms of control Facilities granted to companies approved for derogatory regimes. To this end, any breach of the commitments made or any fraud in the eligibility conditions exposes the company to the suspension of the benefits granted as well as to the recall of the rights evaded.

472. The Finance Act for the 2026 financial year removes any ambiguity about the temporal scope of this measure by specifying that the reminder of taxes and duties is exercised over the entire non-prescribed period. Thus, the administration may adjust the duties for the last four (04) financial years preceding the finding of the infringement, i.e. for the financial years 2022, 2023, 2024 and 2025.

473. Regarding the operational arrangements for the implementation of this control, the departments are invited to refer strictly to the requirements of the circular specifying the terms and conditions of application of the Finance Act for the 2025 financial year.

474. These provisions shall take effect from 1 January 2026.

- **SECTION M 28 A. - Extension of jurisdiction in arbitration matters tax adjustments to the Heads of Regional Tax Centers**

475. The arbitration mechanism instituted by the Finance Law for the 2023 financial year, intended to prevent tax disputes upstream of the litigation phase by establishing a structured dialogue between the Administration and the taxpayer, has been amended by the Finance Law for the 2026 financial year.

476. From now on, the request for arbitration provided for in Section M 28 bis of the Manual of Tax Procedures may be sent, depending on the amount of the adjustments envisaged, either to the Head of the Regional Tax Centre with territorial jurisdiction, or to the Director General of Taxes.

477. The Head of the Regional Tax Centre is responsible for requests for arbitration relating to heads of adjustment whose total amount, in principal and penalties, as shown in the notification of adjustments, is less than or equal to fifty million (50,000,000) CFA francs.

478. The Director General of Taxation is responsible for requests for arbitration relating to adjustments totalling more than fifty million (50,000,000) CFA francs, as well as those whose investigation presents a particular issue justifying a centralised assessment, in particular when the question raised is likely to affect the coherence of administrative doctrine or to generate a risk of heterogeneity of practices.

479. Notwithstanding the amount of the adjustments envisaged, taxpayers under the Directorate of Large Enterprises remain exclusively subject to arbitration jurisdiction of the Director General of Taxes.

480. These provisions shall enter into force on 1 January 2026. They are immediately applicable to control procedures tax claims opened or in progress on that date, including those incurred previously, provided that no notice of assessment has yet been issued.

- **<u>ARTICLS M 34</u>.- Framework for the right to spontaneously rectify Statistical and Tax Declarations**

481. Section M 34 of the Manual of Tax Procedures now specifies the conditions for exercising the right to spontaneously rectify omissions, inadequacies or errors affecting Statistical and Tax Declarations.

482. The benefit of regularisation, without the application of penalties, is strictly subject to compliance with alternative conditions, rigorously assessed by the administration.

483. Firstly, the rectification must take place before any formal control initiative, i.e. prior to the sending of a notice of verification or, in the case of an audit on the basis of documents, before the notification of adjustment. Any correction made after the initiation of these acts loses its spontaneous character.

484. Secondly, when the accounts have been duly approved, the correction must be made within thirty (30) days of their approval by the competent body. This period constitutes a term of foreclosure.

485. It can only be set aside in the presence of a case of force majeure, understood as an external, unforeseeable and irresistible event, duly justified by the taxpayer and expressly admitted by the tax authorities.

486. By competent body, we mean the body legally or statutorily empowered to approve summary financial statements, in accordance with the provisions of OHADA legislation, in particular the ordinary general meeting, called to act within six (06) months following the end of the financial year. The date of approval appearing in the minutes is valid for the calculation of the thirty (30) day period; it must be produced at the taxpayer's discretion.

487. It is recalled that, in accordance with OHADA legislation, the competent judge may, if necessary, extend the deadline for the approval of the accounts; in this case, the date of the judicial decision to extend the accounts serves as a reference for the assessment of the deadline.

488. At the end of this period, the taxpayer is authorised to make adjustments to his or her return only when they lead to the establishment of additional tax due.

489. It is recalled that, for natural persons exercising a professional activity and who do not have a body for drawing up or approving accounts, the spontaneous rectification of Statistical and Tax Declarations is allowed when it is carried out before any audit initiative by the tax authorities. In this case, no specific deadline related to the closing or approval of the accounts can be invoked against the taxpayer.

490. These provisions apply to Statistical and Tax Declarations subscribed for financial years ending on or after December 31, 2025.

- **<u>SECTION M 42</u>.- Strengthening of the right of communication**

491. Section M 42 of the Manual of Tax Procedures confers on tax administration officials the power to collect, from third parties (public bodies, credit institutions, companies, regulated professions, etc.), all documents, information and media useful for the establishment, control and control of the and the collection of taxes owed by a taxpayer.

492. The Finance Act for 2026 amends this Section on two points:

- Firstly, the unenforceability of the legislation relating to the protection of personal data against the tax authorities;

- secondly, the conditions for exercising this right by authorising duly authorised tax officials to be assisted by other agents in the context of its implementation.

- **Extension of the unenforceability of legislation on the protection of personal data**

493. Until now, the exercise of the right of communication could not be hindered by either banking or professional secrecy, subject to the guarantees governing the procedure.

494. As of 1 January 2026, in the same way as professional secrecy or banking secrecy, the provisions of Law No. 2024/017 of 23 December 2024 on the protection of personal data are unenforceable against the tax authorities, in that they cannot hinder the exercise of the right of communication provided for by the CGI.

495. In practice, a third-party holder (bank, electronic communications operator, digital platform, service provider, etc.) may not refuse the transmission of personal information or useful technical data, including, where applicable, logs, connection logs or other computer traces, on the basis of their personal nature, provided that the request is justified by the needs of the control and exercised in compliance with the guarantees provided for in the Manual of Tax Procedures.

496. The required documents and information may be communicated on any medium, material or dematerialised. When the information is held in digital form, the administration may request that it be handed over by extraction, export or any other technical process allowing its effective use. This obligation extends to data held or processed on behalf of the third-party holder by service providers or subcontractors.

497. The information obtained in this way is strictly allocated to the tax purposes for which the right of communication is exercised, in particular the base, the control and the collection of taxes. They remain covered by the obligation of professional secrecy to which tax administration officials are bound and must be kept and protected in accordance with the rules in force within the administration.

- **Agents authorised to exercise the right of communication**

498. As with the arrangements made in the area of tax audits (Sections L 9 and L 11), the duly authorised head of mission may be assisted by other agents for the material execution of the due diligence related to the exercise of the right of communication. He or she remains solely responsible for the regularity of the procedure and the use of the information collected.

- **Miscellaneous provisions**

499. The refusal to follow up on a right of communication duly exercised and notified, the opposition to its execution, as well as the communication of information that is deliberately incomplete, inaccurate or unusable, expose the third-party holder to the penalties provided for by the provisions of Section L 104 of the Manual of Tax Procedures.

○ **<u>SECTION M 94 quarter</u> – Extension of the scope of the Tax Compliance Certificate**

500. Until 31 December 2025, the presentation of a Tax Compliance Certificate (ACF) was required for a wide range of transactions of an economic, fiscal or administrative nature. The following were subject to the production of this certificate:

- transfers of funds abroad by professional taxpayers;
- the issuance of certificates of exemption and coverage of taxes and duties;
- the payment of invoices and subsidies by the State, decentralized local authorities, public establishments, companies partially or entirely with public capital as well as private companies whose list is set by the Minister in charge of Finance;
- export operations;
- visa applications from diplomatic and consular missions;

- any request addressed to public or semi-public administrations, in the context of the exercise of an activity, the issuance of a title, a licence, a certification, a attestation, an authorisation or an approval of any kind.

501. The Finance Act for 2026 now extends this requirement to new operations relating to the administrative and patrimonial life of natural persons. Are now subject to the prior presentation of a Tax Compliance Certificate Valid:

- the subscription of contracts for connection or subscription to the electricity, water and telecommunications networks;
- the issuance of passport documents. It should be noted that when the passport application is made on behalf of a minor child, the ACF to be produced is that of his or her parent or guardian;
- import operations carried out by non-professional taxpayers;
- the issuance of a land title;
- obtaining a vehicle registration document.

502. As a reminder, the Tax Compliance Certificate is issued exclusively online, through the electronic platform of the tax administration. No certificate produced in any other format may be accepted.

503. It is the responsibility of all the administrations, public or semi-public bodies concerned to systematically require the production of this certificate prior to the completion of the operations concerned. It is also their responsibility to verify its authenticity and validity online before any title, document or authorization is issued.

504. The provisions of this Section shall enter into force from 1 January 2026 and shall apply to any operation carried out from that date.

- **SECTION M 94 septies.- International assistance for the recovery of tax debts**

505. The 2026 Finance Law ensures, in Section L 94 septies of the Manual of Tax Procedures, the legal framework applicable to international assistance in the recovery of tax debts.

506. In this respect, the tax administration is empowered to implement international assistance procedures for recovery, either at the request of a foreign tax authority or when it itself requests assistance from a partner State, on the basis of international conventions or agreements binding Cameroon or, failing that, on the basis of the principle of reciprocity.

507. The conditions and practical modalities for the application of this Section, in particular the competent authorities, the channels for transmitting applications, the operational procedures, the deadlines and the modalities of cooperation with foreign administrations, shall be specified by a specific text of the Minister in charge of Finance.

508. To this end, the Division in charge of Legislation is invited to finalize, in conjunction with the Directorate in charge of recovery, as soon as possible, the draft ministerial text provided for above, with a view to making fully operational the provisions relating to international assistance in the recovery of tax debts.

- **SECTION M 97.- Fine for failure to declare**

509. The mechanism for sanctioning failure to declare is reinforced by the institution, in addition to the automatic taxation and the increases provided, of an automatic administrative fine applicable for each declaration not submitted, as soon as the deadline set by the formal notice expires.

510. As such, the defaulting taxpayer is liable to the following fines:

- two hundred thousand (200,000) CFA francs for taxpayers under the structure in charge of large companies;

- one hundred thousand (100,000) CFA francs for taxpayers under the tax centers of medium-sized enterprises and specialized tax centers;
- fifty thousand (50,000) CFA francs for taxpayers under local tax centers and individuals.

511. These fines are generated and collected automatically by the tax administration's IT system, at the end of the period set in the formal notice. They are not subject to free remission.

512. Pending the complete finalization of the automation of the system, the services in charge of the management and monitoring of taxpayers, under the coordination of the Directorate in charge of Collection, are invited to carry out all necessary due diligence for the effective application of these fines, in accordance with the legal provisions in force.

513. The fine can be notified electronically, by registration in the taxpayer's online tax account, accessible on the tax administration's platform. This notification may be supplemented, if necessary, by any other authorised transmission channel, in particular by hand delivery against receipt, by post or by any other means enabling receipt to be established.

514. To this end, the Directorate in charge of Collection, in conjunction with the Information Technology Division, is invited to proceed, as soon as possible, to the configuration of the application and the implementation of the management rules necessary for the generation, notification and collection of these fines.

515. The fines provided for in this Section shall penalise failure to submit the declaration within the prescribed period and shall not preclude the implementation of the ex officio taxation procedure and the application of the related surcharges. The managing services must therefore systematically combine all these actions aimed at correcting the reporting failure.

516. These fines apply to any failure to submit a due declaration, whether it is an annual declaration or an intra-annual declaration (monthly or quarterly), regardless of the nature of the levy concerned.

517. These provisions shall enter into force from 1 January 2026 and shall apply to formal notices notified from that date.

- **<u>SECTION M 99 (5</u>).- Imposition of a fixed fine applicable for failure to file an annual declaration of Personal Income Tax**

518. Before the entry into force of the Finance Act for the 2026 financial year, failure to submit the annual declaration of the personal income tax did not give rise to the application of a specific fixed fine.

519. In accordance with the provisions of Section L 99 (4) of the MTP, as amended by the Finance Law for the 2026 financial year, failure to file or transmit, within the legal deadlines, the annual declaration provided for in Section 74 bis of the CGI, is punishable by the application of a fixed fine of one hundred thousand (100,000) CFA francs, Not subject to discount or moderation.

520. This fine shall apply without prejudice to the penalties provided for in Section L 97 of the MTP, in particular ex officio taxation and the related surcharges.

521. The fine for failure to declare personal income tax is generated and collected automatically by the tax administration's IT system, according to the accepted notification and transmission methods (taxpayer's online tax account and, where applicable, other regulatory channels).

522. These provisions take effect from 1 January 2026. Consequently, any failure to declare from that date onwards will result in the immediate payment of the said fine.

▪ **<u>SECTION M 102</u>.- Collection of VAT unduly refunded**

523. The Finance Act for the 2026 financial year specifies the terms and conditions for recalling VAT credits unduly reimbursed to taxpayers. As a reminder, any refund of VAT credits obtained on the basis of false invoices gives rise to the immediate restitution of the sums unduly received, together with penalties of one hundred percent (100%), which are not subject to transaction.

524. The reminder of the sums unduly received and the related penalties are recovered by means of a collection notice (AMR) issued by the taxpayer's tax office.

525. The AMR is issued by the competent centre and must clearly show:

- the amount of the VAT credit unduly repaid (principal);
- the corresponding penalty of one hundred percent (100%).

526. The assessment does not exclude, where appropriate, the implementation of other adjustments likely to result from the same facts in respect of the taxes concerned, or the application of the penalties provided for by the regulations.

527. However, it is specified that the initiation of the procedure presupposes that the service establishes, in a sufficiently substantiated manner:

- the existence of an actual refund (payment or compensation made);
- the undue nature of the repayment, resulting in particular from:
  - the use of false invoices; and/or
  - irregular invoices with regard to invoicing requirements (incomplete, inconsistent, non-compliant), when these irregularities were used as a basis for reimbursement.

528. These provisions shall enter into force on 1 January 2026. They apply to any reminder made from that date, regardless of the period for which the VAT credit has been unduly reimbursed.

▪ **<u>SECTION M 114 A</u>.- Delimitation of the offence of bribery in tax matters**

529. The Finance Act for the 2026 financial year has inserted Section L 114 bis into the Tax Procedures Manual, in order to specify the relationship between the control procedures and the offence of bribery provided for in Section 142 of the Criminal Code. That provision states, first, that reminders duly drawn up cannot be classified as bribery and, secondly, lays down the rules of presumption and the burden of proof applicable in the event of proceedings against a staff member.

- **Exclusion of concussion in the event of an inspection regularly conducted**

530. Under Section L 114 bis (1) of the MTP, reminders of taxes, duties, taxes or penalties resulting from an audit procedure regularly carried out by the agents of the tax administration do not constitute the offence of bribery, as long as these agents act within the framework of the competences and procedures provided for in the Manual of Tax Procedures.

531. It follows that the challenge to an adjustment, including where the amounts in question are high, falls primarily within the scope of the tax remedies provided for by the legislation in force, without prejudice to the criminal proceedings that may be brought in the event of proven fraudulent conduct unrelated to the normal exercise of control powers.

- **The burden of proof**

532. Pursuant to Section L 114 bis (2) of the MTP, additional taxes arising from a tax procedure are, in the absence of proof to the contrary, deemed to be established solely for the benefit of the Public Treasury, in accordance with the applicable rules of jurisdiction and procedure.

533. The burden of proof of the agent's fraudulent intent, consisting in demanding, collecting, granting or withholding, on his own behalf or on behalf of a third party, a sum which he knew to be undue, lies with the prosecuting party.

- **Miscellaneous provisions**

534. The protection established by Section L 114 bis of the MTP does not exempt the agent from his administrative and professional liability. Any breach of the rules of ethics or any manifest procedural error remains subject to disciplinary sanctions.

535. The heads of operational services will ensure the strict traceability of control due diligence and the constitution of complete files, making it possible to attest, at any time, to the regularity of the procedure and the purpose of the additional taxes imposed on the taxpayer.

536. The provisions of Section L 114 bis of the Manual of Tax Procedures enter into force as of January 1, 2026, including on ongoing procedures.

- **SECTION M 116 (3).- Clarifications relating to the admissibility of contentious complaints presented by an agent**

537. The Finance Act for the 2026 financial year specifies the conditions for the admissibility of contentious claims when they are submitted by an agent acting on behalf of the taxpayer.

538. Under the provisions of Section L 116 (3) of the MTP, any claim submitted by an agent must be accompanied by:

- the act of mandate expressly establishing the power to act of the CEMAC approved tax council on behalf of the taxpayer;
- of the valid assistance agreement, in the case of an approved management centre (CGA).

539. The competent services are invited to verify, as soon as the complaint is lodged, the completeness of the file and the conformity of the documents produced. Any complaint that does not satisfy the conditions of admissibility set out above must be declared inadmissible, without there being any need to examine the merits.

540. It is recalled that the other formal conditions provided for by the provisions in force, in particular the obligation to stamp the claim in accordance with the tax legislation, remain fully applicable.

541. These provisions apply to contentious claims lodged on or after 1 January 2026.

- **SECTION M 125 QUARTER- Substitution of legal basis or grounds**

542. Section L 125 quarter of the MTP establishes the option for the Administration to correct the legal basis (substitution of legal basis) or justification (substitution of grounds) of a notified, recalled or contested tax, provided that the taxpayer has benefited from all the procedural guarantees and the rights of the defence.

543. The substitution of a legal basis consists of replacing the initial legal basis of a tax with another applicable legal basis, in the context of a tax audit procedure or a litigation procedure.

Illustration :

At the end of an audit, a reinstatement of office is initially based on an inappropriate legal classification. The investigation of the litigation file establishes that the same facts must be linked to another tax regime provided for by law. The Administration then substitutes the relevant legal basis in order to maintain taxation on a regular basis.

544. Substitution of grounds consists of replacing the justification initially used to justify an imposition or penalty with another justification, when the initial reason appears to be inaccurate, incomplete or inappropriate.

Illustration

An insufficient declaration is primarily motivated as an unintentional error. Evidence in the file subsequently revealed a deliberate nature. The Administration may then substitute this reason and draw the consequences in terms of penalties, subject to compliance with the adversarial principle.

- **Scope and limitations**

545. The substitution may relate to any tax, duty, or contribution, whether it is:
- a tax recalled at the end of an audit procedure;
- of a contested tax in the context of an administrative complaint or a contentious proceeding.

546. Substitution may not take place:
- when the taxation has been the subject of a final judicial decision;
- when it is based on new facts unrelated to the initial procedure;
- when the taxation is reached by the statute of limitations;
- when the initial procedure is marred by a substantial irregularity that has deprived the taxpayer of his guarantees.

547. The substitution is admissible only if the following cumulative conditions are met:
- the substitution is the subject of a written and reasoned notification;
- A period of thirty (30) days is granted to the taxpayer to submit his observations.

- **Implementation modalities**

A. Substitution before issuance of the notice of assessment (AMR)

548. When the substitution occurs at the inspection stage, it must be carried out before the issuance of the Notice of Recovery (AMR).

549. To this end, the audit department shall formalise a substitution project specifying the tax concerned, the period covered, the initial basis and the basis or grounds for substitution. This draft shall be notified to the taxpayer who, in accordance with Section L 125 quarter of the MTP, shall have a period of thirty (30) days to submit his written observations.

550. The notification of a substitution project within the meaning of Section L 125 quarter of the MTP suspends, by operation of law, the sixty (60) day period set for the Administration by Section L 26 of the MTP to respond to the taxpayer's initial observations.

551. The tax can only be assessed after the completion of this adversarial phase. The Administration formalises its final position in a response to the observations confirming, modifying or abandoning the proposed substitution, prior to any AMR issuance.

<u>Illustration</u>

- **Starting point** : on June 1, the taxpayer files his observations. The 60-day period provided for in Section L 26 of the MTP runs until 30 July.
- **Notification of a substitution** : on 20 June, after 20 days have been consumed, a substitution is notified. The deadline is suspended. There are 40 days left.
- **Adversarial phase** : the taxpayer has 30 days (until 20 July).
- **Resumption of the deadline:**
  - **Early response (5 July**): the deadline resumes on 5 July. The Administration must notify its final position by 14 August at the latest.
  - **Silence from the taxpayer** : the deadline resumes on 21 July. The Administration has the remaining 40 days, until 30 August.

B. Substitution during the litigation procedure (after the AMR)

552. When the substitution occurs at the litigation stage, it is implemented by the department responsible for examining the complaint.

553. The new basis or the new reasons shall be notified to the taxpayer, who shall have a period of thirty (30) days to make his written observations.

554. This notification suspends the time limit set for the Administration to rule on the complaint.

555. The calculation of the time limits resumes either upon receipt of the taxpayer's observations or, in the absence of a response, the day after the expiry of the thirty (30) day period.

556. The silence of the taxpayer is equivalent to the absence of observations and allows the continuation of the procedure on the notified basis. On the other hand, the silence of the Administration cannot be interpreted as tacit acceptance of the claimant's claims.

Illustration

- **Filing of the complaint (1 October):** opening of the 45-day period (theoretical deadline: 15 November).
- **Notification of a substitution (15 October):** suspension of the deadline after 15 days have elapsed. There are 30 days left.
- **Adversarial deadline** : the taxpayer can respond until 14 November.
- **Resumption of the deadline:**
  - **Early reply (25 October):** resumption on 25 October; decision to be notified by 24 November at the latest.
  - **Silence of the taxpayer** : resumption on 15 November; decision to be notified by 15 December at the latest.

- **Articulation with the collection and issuance of duties**

A. Substitution without impact on the amount

557. When the substitution does not modify the rights collected, the initial AMR remains the medium of recovery. The contentious complaint file is completed by the proof of notification of the substitution and the analysis of the observations.

B. Substitution Altering Duties, Interest or Penalties

558. When the substitution leads to a change in rights, penalties or interest, the departments in charge of litigation shall, without delay, transmit to the assessment and management/recovery services the information necessary for the regularization of the debt.

559. The taxpayer's tax office carries out the required operations in the application (total or partial relief and, where applicable, issuance of an amending or additional act, depending on the functionalities available), in order to ensure that the position resulting from the investigation is consistent with the debt for collection.

560. In all cases, the collection acts are issued by the taxpayer's tax office, then notified according to the accepted channels, including, where appropriate, by making them available in the online space.

561. Before collection, the substitution is initiated by the assessment or control service, under the responsibility of the head of the competent centre. In the litigation phase, it is the responsibility of the litigation department, under the authority of the authorising officer of the administrative decision. The collection services are informed of any substitution in order to ensure consistency between the securities issued and those collected.

- **Miscellaneous provisions**

562. The taxpayer retains, at the end of the substitution, all the remedies provided for by the tax legislation, in particular the administrative complaint and the judicial remedy, within the ordinary law deadlines.

563. The substitution of legal basis or grounds suspends the procedural deadlines until the taxpayer has notified his observations or the expiry of the 30-day period.

564. These provisions apply to proceedings pending on 1 January 2026.

- **PROVISIONS RELATING TO LOCAL TAXATION**

- **SECTIONS C 10 to C 15.- Clarification of the provisions relating to the contribution of licences**

565. The provisions relating to the contribution of licences have been the subject of three adjustments aimed at strengthening the coherence of the system. These adjustments relate respectively to:

- the deletion of a provision that has become inoperative relating to the liability to the patent;
- clarification of the exemption threshold applicable to agricultural activities, in order to preserve their social significance;
- the precise determination of the tax base of service station managers, taking into account the regulation of the prices of approved petroleum products.

- **Basis of assessment of the contribution of patents (Section C 10)**

566. In accordance with Section C 10 (1) of the General Tax Code, the contribution of the licences remains based on the turnover of the last closed financial year declared by the taxpayer, regardless of the nature of the activity carried out, subject to the exemptions and particularities expressly provided for by law.

567. Paragraph (2) of Section C 10 of the General Tax Code being deleted, the liability to the contribution of patents is no longer based on a reference to an appendix, which does not exist in the normative architecture of the text.

568. This abolition does not entail any change in the scope of the licence, which remains based exclusively on the achievement of a turnover, in accordance with the general principle laid down in Section C 10 (1) of the CGI.

569. The departments are invited to exclude any reference to a list of activities for the purpose of being subject to the licence and to base their diligence solely on the criterion of declared turnover.

- **Clarification of the Farm Operator Exemption (Section C-11)**

570. Section C 11 (9) of the General Tax Code has been rectified to remove any ambiguity arising from the law on local taxation. The threshold of fifty million (50,000,000) CFA francs in annual turnover is reaffirmed as the determining criterion for the subjection of actors in the agricultural sector (growers, planters, breeders).

- **The case of service station managers (Section C, 15)**

571. The taxation of service station managers on their gross turnover was considered unfair, as the selling prices were set by the State. Section C 15-7 of the General Tax Code now establishes a dual base for these operators.

572. The licence of service station managers is established on two distinct bases:

- on approved petroleum products (super, diesel, kerosene, domestic gas): the licence is based only on the regulated margin as it results from the structure of approved prices;
- on other activities (sale of lubricants, shop, laundry, maintenance, etc.): the licence is based on the classic pre-tax turnover.

573. Service station managers are required to submit a separate annual declaration specifying the share of the regulated margin on the one hand, and that of the turnover from other sales on the other.

- **Entry into force**

574. These provisions apply to the contribution of patents declared as of 1 January 2026.

- **SECTION C-22A.- Redeployment automatically for taxpayers subject to the Comprehensive**

575. Section C 22 bis of the General Tax Code establishes a formalised procedure for the reclassification of taxpayers previously subject to the Comprehensive Tax (IGS) to the licence regime, when their turnover, actually achieved, exceeds the legal thresholds set for this regime.

576. This reclassification occurs when the conditions of eligibility for the General Synthetic Tax cease to be met, in particular because the turnover ceilings applicable to the said regime have been exceeded.

577. The reclassification may be carried out following a spot check, conducted by the competent services of the tax administration. This control must be:

- preceded by the service of a notice of passage on the taxpayer;
- materialised by due diligence intended to assess the real turnover of the activity carried out;
- concluded by the drawing up of a report, recording the findings made and the elements that led to the reclassification.

578. Prior to any intervention falling within the scope of this Section, an intervention number must be assigned to the diligence of the Head of the Regional Tax Centre with territorial jurisdiction, who is authorised to:

- authorise the intervention;
- assign the corresponding intervention number;
- and notify, without delay, the division in charge of the control, for the purpose of taking charge and recording in the computer system of the tax administration.

579. The division in charge of control proceeds, on the basis of this notification, to integrate the intervention into the control programming and monitoring system, thus ensuring the traceability, consistency and supervision of the operations carried out.

580. These provisions shall apply from 1 January 2026, for situations observed from that date, including when the thresholds are exceeded as a result of information revealed by a subsequent inspection.

- **SECTION C 37.- Rates of the contribution of licences by CGA members**

581. The amendment made to Section C 37 of the General Tax Code enshrines the reduction of fifty percent (50%) of the rates of the license contribution for the benefit of taxpayers subject to the General Synthetic Tax regime and members of an Approved Management Center.

582. The benefit of the 50% allowance is strictly subject to compliance with the following cumulative conditions:

- the taxpayer must be listed in the DGT's file of active taxpayers;
- the taxpayer must appear on the list of members kept by the promoter of his or her Approved Management Centre (CGA) to which he or she is attached and published on the DGT website;
- the promoter of the CGA concerned must himself be registered in the file of active taxpayers of the DGT.

583. The allowance is applied automatically when the licence contribution is issued for any taxpayer identified as an active member of an Approved Management Centre on the date on which the tax is due, without the need to produce a paper certificate.

584. To this end, the Information Technology Division, the Statistics Division and the

Legislation Division are jointly responsible for setting up, operating and updating, in the computer system of the Directorate General of Taxes, a centralized database of members of the Approved Management Centers, including in particular the taxpayer's tax ID. the Approved Management Centre to which the membership is attached, the period of validity of the membership and its status.

585. These provisions shall enter into force from 1 January 2026.They shall apply to the contributions of licences payable in respect of financial years beginning on or after that date, including where the issue occurs subsequently.

- **Section C 38 – IGS.- Clarifications on the discharging nature of the IGS**

586. The amendment made to Section C 38 of the General Tax Code in favour of the 2026 Finance Law specifies the scope of the discharging nature of the General Synthetic Tax (IGS).

587. Although it exempts the taxpayer from paying the Licence, VAT and PIT (BIC, BA, BNC), this discharging nature does not extend to the following levies which remain payable:

- taxes and fees services;
- the contribution of licenses;
- withholding taxes made by the State and authorised entities;
- tax and employer charges on salaries;
- the registration fees of the lease contract, or the property tax if applicable.

588. Entities authorised to withhold tax must apply, when paying the invoices of taxpayers subject to the IGS, the following rates:

- 2% on the amount excluding tax for invoicing to private companies;
- 5% on the amount excluding tax for services provided with the State, Decentralized Local Authorities (CTDs) and public establishments in the context of public procurement.

589. In accordance with Section C 38 (4) of the General Tax Code, income tax instalments deducted at source from the invoices of taxpayers subject to the IGS are deductible from the tax due for the following year. Consequently, no deduction is allowed from the quarterly portion of the IGS.

590. These provisions shall apply from 1 January 2026. They are taken into account for deductions made from that date and for the deduction from the IGS due for the following year, in accordance with the above procedures.

- **SECTION C 39.- Delimitation of the scope and thresholds of the synthetic general tax**

591. In accordance with the provisions of Section C 39 of the General Tax Code, taxpayers carrying out a commercial, industrial, artisanal, agropastoral or non-commercial activity are subject to the IGS regime, when their annual turnover before tax does not exceed:

- fifty million (50,000,000) CFA francs for commercial, industrial, artisanal or agropastoral activities;
- thirty million (30,000,000) CFA francs for liberal or non-commercial professions.

592. Exceeding one of the thresholds mentioned above during a tax year leads to the automatic reclassification of the taxpayer to the real tax regime.

593. When a taxpayer subject to the real tax regime finds that his or her turnover falls below the thresholds provided for in Section C 39 of the French Tax Code, he or she is maintained under the tax regime for a probationary period of two (2) consecutive tax years. At the end of this period, if the turnover remains below the said thresholds, the taxpayer is reclassified under the IGS regime.

594. The eligibility conditions for the IGS scheme are cumulative. Access to this regime is subject to simultaneous compliance with the turnover thresholds and the nature of the activity carried out.

595. For the assessment of turnover thresholds, reference is made to:

- the turnover achieved for the year N-1 for existing companies;
- the projected turnover declared at the time of registration for newly created companies, subject to subsequent adjustment.

596. The entry into force of these provisions is set for 1 January 2026.

- **<u>SECTIONS C 41, C 44 and C 46</u>.- Clarification of the reporting obligations of taxpayers under the IGS regime**

597. The provisions of Sections C 41, C 44 and C 46 of the General Tax Code have been the subject of adjustments intended to clarify, secure and harmonise the Synthetic General Tax regime.

- **Declaration and terms of payment of the IGS (Section C 41)**

598. The annual declaration of taxpayers subject to the IGS is submitted by 15 April of each year at the latest, to their Tax Office. Payment is made within the same period.

599. Taxpayers have the option of opting for a split payment of the IGS. In this case, the tax is paid at quarterly intervals, within fifteen (15) days of the end of each quarter, by means of an electronic declaration in accordance with the model prescribed by the Administration.

600. It should be noted that taxpayers under the IGS regime are not subject to monthly reporting obligations, in particular those applicable to value added tax or monthly income tax instalments.

601. Their reporting obligations are limited to the IGS annual declaration or, for those who have opted for split payment, the related quarterly declarations, as well as the declarations of taxes and duties withheld at source.

602. Under the terms of the joint MINFI/MINDEVEL circular of 4 July 2025 specifying the terms of application of the law on local taxation, taxpayers under the IGS regime are required to make deductions relating to the remuneration paid to their employees by means of withholding tax.

603. The deductions thus made are repaid on a quarterly basis, concomitantly with the payment of the IGS. However, taxpayers may opt for a monthly repayment, in which case the payment must be made no later than the fifteenth (15th) day of the month following the month in which the withholding tax was made.

- **Accounting obligations and Statistical and Tax Reporting (Section C-44)**

604. Under the amended provisions of Section C 44 of the General Tax Code, taxpayers subject to the IGS, whose turnover is equal to or greater than ten million (10,000,000) CFA francs, are required to keep accounts according to the Minimum Treasury System (SMT) provided for by the OHADA Uniform Act on Accounting Law and Financial Information.

605. These same taxpayers are now required to submit a Statistical and Fiscal Declaration (DSF) by 15 May each year at the latest. The tax assessment services will ensure that this legal deadline is scrupulously respected.

606. In addition, Section C 46 of the General Tax Code is subject to adjustments aimed at, on the one hand, enshrining the terminology of "Attestation de Conformité Fiscale (ACF)" in place of the old names, and on the other hand, strictly regulating the scope of the penalties related to the lack of tax regularity.

607. In this regard, it is expressly recalled that the seizure and impoundment measures only concern vehicles used for professional use. Vehicles for strictly private use are formally excluded from this sanction system.

608. The table below summarises the accounting obligations as well as the reporting procedures applicable to those liable for the Synthetic General Tax (IGS)

<u>Summary of the tax obligations and deadlines of the IGS regime</u>

Nature of the Obligation	**Deadline**	**Legal basis**	**Observations**
IGS Annual Statement	No later than April 15	Section C 41	Subscribed online.
IGS Payment (Default Option)	Annual (as of April 15)	Section C 41	Full payment at the time of the annual return
IGS Payment (Split Option)	Quarterly (within 15 days after the end of the quarter)	Section C 41	Payment of the corresponding portion no later than the 15th of the month following the end of the quarter.
Payroll Deductions	Quarterly (default) or monthly (optional)	Circular MINFI/MINDEVEL of 04/07/2025	Payout no later than the 15th of the following month if the monthly option is chosen
Bookkeeping	Permanent (if turnover ≥ 10 million FCFA)	Section C 44	Application of the Minimum Cash System (MTS)
Statistical and Fiscal Declaration (DSF)	No later than May 15	Section C 44	Mandatory only for taxpayers whose turnover ≥ 10 million FCFA

NB: Taxpayers subject to the IGS are not subject to monthly income tax advance declarations or VAT. However, they remain subject to withholding tax when they provide services on behalf of authorised entities. The amounts retained in this respect are deductible from the IGS due for year N+1.

○ **<u>SECTIONS C53 and C 55</u>- Establishment of progressivity in the property tax rate**

609. Before the entry into force of the Finance Act for the 2026 financial year, the tax on land ownership was established on the basis of a proportional rate, without taking into account the overall valuation level of the land assets held by the same taxpayer.

610. The Finance Act for the 2026 financial year has amended Section C 53 of the CGI in order to introduce a Progressiveness rates the tax on land ownership, when the value of the property held reaches certain thresholds.

611. Pursuant to Section C 53 (1) of the General Tax Code, the ordinary rate of the tax on land ownership remains set at 0.1%.

612. However, when the total value of a property or all the properties held by the same taxpayer exceeds five hundred million (500,000,000) CFA francs, the tax is assessed according to a progressive scale, applied by value brackets, as follows:

- 0.2% for the fraction of value between CFAF 500,000,000 and CFAF 1,000,000,000 ;
- 0.3% for the fraction of value exceeding 1,000,000,000 CFA francs.

613. For the application of the progressive scale, account is taken of the cumulative value of the real estate held by the same taxpayer, regardless of their location or the number of land titles concerned.

614. The scope of application, the rules for determining the tax base, as well as the procedures for establishing, collecting and controlling the tax on land ownership remain unchanged. As such, the tax continues to be assessed on the basis of the market value of the taxable assets, spontaneously declared by the taxpayer or, where applicable, administratively determined in accordance with the regulatory provisions in force.

615. The Division in charge of Legislation is responsible for updating the mercurial values in real estate, ensuring that they are in line with the realities of the land market and that they are consistent throughout the territory. It also ensures the transmission of the said updated mercurial values to the services in charge of IT, with a view to their effective integration into the electronic declaration application of the General Directorate of Taxes.

616. The IT services ensure that the progressive scale is correctly configured, as well as that the cumulative property values per taxpayer are taken into account, in order to guarantee the reliability of the tax assessment and the issuance of the corresponding securities.

617. These provisions shall apply to the tax on land ownership payable from 1 January 2026.

- **SECTION C 86.- Clarification of the rates of the Local Development Tax (TDL)**

618. The Finance Law for the 2026 financial year specifies the rates of the Local Development Tax (TDL) applicable to taxpayers subject to the General Synthetic Tax (IGS).

619. From now on, for this category of taxpayers, the payment of the Local Development Tax is carried out on the basis of the tariffs laid down for the contribution of the licences.

620. It is recalled that the terms of liability and the rates of the Local Development Tax applicable to public and private sector employees remain unchanged.

621. The Information Technology Division is instructed to make the necessary settings in the computer systems for an effective application of these tariffs as of January 1, 2026.

- **SECTION C 100 bis – Procedures for setting the rents of municipal shops**

622. Before the entry into force of the Finance Act for the 2026 financial year, the rents applicable to shops and rights of way in the municipal public commercial domain were established on the basis of reference rates set by law, determined according to surface area brackets, without the express possibility of adapting to local economic conditions.

623. As of the entry into force of the Finance Act for 2026, Section C 100 bis of the General Tax Code maintains these reference rates, while now empowering the Municipal Council to proceed, by way of derogation, to a modulation of the rents applicable to commercial premises, in order to take into account the actual prices of commercial rents in force in the territorial district concerned.

624. The modulation of rents is subject to the adoption of an express and reasoned deliberation of the Municipal Council. This deliberation must in particular:

- specify the categories of premises concerned;
- indicate the new rent amounts applied, by area bracket;
- be based on objective elements of assessment of the local rental market (comparisons of rents, commercial areas, economic characteristics of the municipality).

625. The modulation deliberation can only take effect after it has been approved by the competent supervisory authority, in accordance with the rules in force relating to the control of the acts of decentralised local authorities.

626. In any event, the amount of the rent set by the Municipal Council may not exceed twice the maximum amount provided for by the legal scale for the corresponding area bracket. This ceiling is assessed by bracket, and not by average or by overall category of premises.

627. Any rent set in breach of the legal ceiling has no effect on the establishment of rights and royalties and cannot be invoked against taxpayers or tax authorities.

628. The municipalities are required to make available to the tax authorities any deliberation on rent modulation as well as the related supporting documents, for the purpose of verifying and securing the basis of municipal revenue.

629. The provisions relating to the modulation of rents for municipal shops provided for in Section C 100 bis shall apply to rents payable from 1 January 2026.

- **SECTIONS C 119 bis and C 122.- Distribution of the proceeds of the Synthetic General Tax**

630. Before the entry into force of the Finance Act for the 2026 financial year, the entire municipal share of the proceeds of the General Synthetic Tax was allocated to the municipality where the activity is located, without any allocation to equalisation.

631. As of the entry into force of the Finance Act for the 2026 financial year, Section C 119 bis of the General Tax Code establishes a new key for the distribution of the proceeds of the General Synthetic Tax allocated to the municipalities. A share of eighty percent (80%) of the IGS revenue remains allocated to the municipalities. From now on, the distribution key of the IGS is as follows:

- 72% allocated to the municipality of location;
- 18% centralised by FEICOM;
- 10% for assessment and collection costs.

632. The Directorate in charge of collection and the Information Technology Services Division will ensure the rigorous application of this distribution key, both for current receipts and for any adjustments.

633. These provisions apply to the revenue from the General Synthetic Tax paid as of January 1, 2026, including the portion of the IGS for the fourth quarter of 2025 expected on January 15, 2026.

- **SECTION C 121.- Clarification of the distribution of certain tax revenues between the Urban Community and the district municipalities**

634. Before the entry into force of the Finance Act for the 2026 financial year, the distribution of certain tax revenues between the Urban Community and the district municipalities was not the subject of sufficiently explicit provisions, in particular with regard to the allocation of the excise duty on the deterioration of the public highway, the proceeds of the ad valorem tax, as well as the system of sharing the proceeds of the tourist tax.

635. As of the entry into force of the Finance Act for the 2026 financial year, Section C 121 of the General Tax Code specifies and secures the distribution of said revenues by providing that:

- the excise duty on the deterioration of the public highway and/or the road constitutes tax revenue for the Urban Community, when it relates to infrastructure under its jurisdiction;
- The reference to the allocation to the district municipalities of the proceeds of the ad valorem tax on spring water, mineral water and thermo-mineral water, as well as the tax on the extraction of quarry substances, is deleted. Consequently, the revenue from the said taxes now constitutes revenue from the urban communities;
- the revenue from the tourist tax is classified as shared tax revenue and distributed at the rate of fifty percent (50%) for the benefit of the Urban Community and fifty percent (50%) for the benefit of the district municipality.

636. The Directorate in charge of collection will have to ensure the rigorous implementation of these provisions, in particular through the distribution keys set up in the DGT's computer system.

637. These provisions shall apply to tax revenue due from 1 January 2026, including those giving rise to distribution, repayment or adjustment operations subsequent to that date.

- **SECTION C 129- Allocation of the proceeds of the Airport Stamp Duty**

638. Section C 129 of the General Tax Code sets out the terms and conditions for the allocation of the revenue from airport stamp duty.

639. In that respect, the revenue from that duty is distributed according to the following key:
- ninety percent (90%) shall be allocated to the body responsible for centralisation and equalisation, in respect of inter-municipal and inter-regional relations, with a view to their distribution among all the Regions;
- ten percent (10%) are allocated to the Solidarity Fund for the International Drug Purchase Facility (FIAM).

640. The services in charge of collection ensure strict compliance with this distribution key, as well as the proper execution of the repayment operations in accordance with the procedures in force.

641. These provisions shall apply to airport stamp duty payable from 1 January 2026, including for adjustment operations relating to that period.

- **SECTIONS C 128, C 131 and C 132 – Reporting procedures and payment of certain fees collected via the DGT's IT platform**

642. The amendments to Sections C 128, C 131 and C 132 are intended to clarify the procedural framework for the payment of fees related to water, sanitation, radio frequencies and gaming.

- **Water abstraction fee and sanitation tax (Section C 128)**

643. Taxable persons declare and pay, via the Tax Administration's IT platform, within fifteen (15) days of the end of each quarter:
- the fee for the withdrawal of surface or groundwater, by means of a quarterly declaration summarising the volume of withdrawals made during the period;
- the sanitation tax on the discharge of industrial wastewater, by means of a quarterly declaration summarising the quantity of pollutant loads discharged during the period.

- **Fee for the use of radio frequencies (Section C 131)**

644. The fee is declared and paid, via the Tax Administration's IT platform, in four equal instalments, payable at the latest: 15 March, 15 June, 15 September and 15 December.

645. The instalments to be paid are determined on the basis of the invoicing issued by the regulator for the previous financial year (n-1).

- **Annual gaming fee (Section C 132)**

646. It is recalled that the annual gaming fee is exclusively collected by the State's tax services.

647. The revenue from the said fee shall be allocated in full to the body responsible for centralisation and equalisation, in respect of equalisation and inter-regionality, with a view to its redistribution to all the Regions in accordance with the procedures laid down by a specific text.

648. The fee is declared and paid, via the Tax Administration's IT platform, within fifteen (15) days of the end of each quarter, by means of a quarterly declaration summarizing the turnover achieved during the period.

- **Miscellaneous provisions**

649. The departments responsible for the assessment and collection shall ensure strict compliance with the above deadlines and reporting procedures, as well as the proper execution of the corresponding repayment and equalisation operations, in accordance with the procedures in force.

650. The IT departments ensure, as necessary, the configuration of schedules and declaration forms in the Tax Administration's application.

651. These provisions apply to royalties and fees payable as of January 1, 2026, including for adjustment operations relating to this period.

- **PROVISIONS RELATING TO OTHER RESOURCES**

  - **SECTION TWENTY-FIFTH- Introduction of a reduction in the annual forestry fee for the 2026 financial year.**

652. The 2026 Finance Act has instituted, for the 2026 financial year, a twenty-five percent (25%) reduction on the Annual Forestry Fee due by companies holding valid logging titles.

653. The rate of the abatement is increased to 35% for companies that can prove a valid certificate of sustainable forest management, issued by a competent body in accordance with the relevant recognized standards.

654. The benefit of the 35% abatement rate is conditional on maintaining the continued validity of the sustainable forest management certification. In the event of suspension, withdrawal or expiry of the said certification, the company immediately loses the benefit of the allowance. The rights granted must therefore be recalled, without prejudice to the penalties and interest for late payment provided for by the legislation in force.

655. The FRG abatement applies to spontaneous payments in respect of the Annual Forestry Fee, excluding penalties, interest for late payment, surcharges, fines and other penalties relating to the said fee.

656. The provisions of this Section shall enter into force on 1 January 2026 and shall apply to the Annual Forestry Fee due for the 2026 financial year. They shall cease to have effect at the end of the financial year, without prejudice to the audit, regularisation or litigation procedures initiated in accordance with the tax legislation in force.

657. It should be noted that, in accordance with the provisions of Section 243 of the General Tax Code, the revenue from the Annual Forestry Fee (RFA) is distributed as follows:

- Condition: 50%;
- Municipalities: 50%, including 10% for recovery support (i.e. 5% of the total), 36% for centralisation at FEICOM (i.e. 18% of the total) and 54% for the municipalities where the logging title is located (i.e. 27% of the total).

658. The 25% or 35% allowance granted to certified companies exclusively impacts the share due to the State and cannot reduce the share intended for Decentralized Local Authorities (CTDs).

659. By way of illustration, for a company with a FRG of 100,000,000 CFA francs and which benefits from a 25% allowance, the share of the municipalities is calculated on the total basis and is set at 50,000,000 CFA francs, divided between collection support for 5,000,000 CFA francs, FEICOM for 18,000,000 CFA francs and the municipalities of location for 27,000,000 CFA francs. On the other hand, the State's share is subject to the allowance and is reduced to CFAF 25,000,000, corresponding to the CFAF 50,000,000 of its initial share minus the CFAF 25,000,000 of the allowance calculated on the overall base. The total amount owed by the company is thus 75,000,000 CFA francs, the tax saving being fully borne by the State budget.

660. The Directorate in charge of collection is instructed to ensure the strict application of these distribution methods, in order to guarantee the integrity of the resources accruing to local authorities during the implementation of this incentive measure.

- **<u>SECTION TWENTY-SIXTH.</u>- Renewal and extension of the special settlement procedure applicable to receivables issued before December 31, 2023**

661. The Finance Act for the 2026 financial year renews and extends the special settlement procedure by applying it to tax debts issued before 31 December 2023, in order to promote the amicable settlement of tax disputes, accelerate the clearance of arrears and contribute to the improvement of public revenue collection.

662. To this end, a special settlement procedure is hereby established for the 2026 financial year tax open from January 1 to December 31, 2026. No settlement application submitted after 31 December 2026 is admissible.

663. Tax receivables issued on or before December 31 of the 2023 financial year are eligible for the transaction in accordance with the following procedures:

- **Taxes in litigation** :
  - In the administrative phase, the transaction may give rise to a reduction of fifty percent (50%), with the possibility of spreading the balance over a period not exceeding six (6) months;
  - In the jurisdictional phase, the transaction may be subject to an eighty percent (80%) abatement, with the possibility of spreading the balance over a period not exceeding six (6) months.

664. Taxes paid in respect of referral to the administrative or judicial authorities remain definitively acquired by the Treasury and do not give rise to any refund.

- **Tax arrears Uncontested:**
  - for public or parapublic entities, the transaction may give rise to an allowance of sixty percent (60%), with the possibility of spreading the balance over a period not exceeding twelve (12) months;
  - for private entities, the transaction may give rise to a fifty percent (50%) abatement, with the possibility of spreading the balance over a period not exceeding twelve (12) months.

665. The taxes payable in respect of the referral of litigation to the administrative or judicial authorities must be paid in full prior to any request for a settlement. Otherwise, the application is inadmissible and must be rejected.

666. Tax claims settled by set-off of reciprocal debts are not eligible for this special settlement procedure.

667. Acceptance of the transaction entails an irrevocable waiver of any subsequent claim and automatic discontinuance of any pending request or proceeding, regardless of the degree.

668. The practical arrangements for the implementation of this special settlement procedure remain those defined by the circular relating to the implementation of the finance laws for the 2025 financial year, in particular with regard to the constitution of the file, the chain of investigation, the competent authorities, the models of acts, as well as the methods of monitoring and controlling the execution of the commitments made.

669. It should be noted that the benefit of the allowance provided for in the context of this measure is only effective after the payment of the instalments granted to the taxpayer for the part maintained in payment have been paid in full, and within the prescribed periods. It is, therefore, formally forbidden to the Tax Collectors to record in their books the clearance of the allowance as long as the portion of the debt maintained in payment has not been paid in full.

670. In addition, the Tax Collectors will have to ensure strict compliance with the payment schedule. Failure to comply with a single deadline automatically leads to the termination of the special settlement and the immediate resumption of enforcement measures for the entire initial claim. The same applies to the failure to pay spontaneous payments for the current period, which also entails the denunciation of the special transaction, which is conditional on the regular payment of contemporaneous taxes.

671. The structures in charge of collection, litigation and communication are invited, each in its own right, to ensure a wide dissemination of this measure, through targeted awareness-raising actions and the dissemination of practical information for the taxpayers concerned, with a view to promoting the effective use of the settlement and the amicable settlement of disputes.

672. The provisions of this Section shall enter into force on 1 January 2026 and shall cease to have effect on 31 December 2026, without prejudice to the procedures for control, monitoring the execution of the transactions concluded, or recovery actions initiated in the event of non-compliance with the commitments entered into by the taxpayer.

- **FINAL PROVISIONS**

673. The present prescriptions, which nullify any previous doctrine interpretation to the contrary, must be rigorously observed and any difficulty of application submitted to my attention.

The Director General of Taxation

(é) MEYONG ABATH Roger

APPENDICES

REPUBLIQUE DU CAMEROUN Paix - Travail - Patrie --------- MINISTERE DES FINANCES ---------- **DIRECTION GENERALE DES IMPOTS** --------- DIRECTION DES GRANDES ENTREPRISES	REPUBLIC OF CAMEROON Peace – Work – Fatherland ---------- MINISTRY OF FINANCE ---------- DIRECTORATE GENERAL OF TAXATION ----------

<u>Appendix 1</u> : Template of Report on the Establishment of Fraud or Misuse of Tax Incentives (Article 17 ter of the General Tax Code)

1. Identification of the parties

Audited company:

- <u>Company name: [company name]</u>
- <u>Taxpayer Identification Number (TIN): [NIU]</u>
- <u>Address: [full address]</u>
- <u>Representative: [name and position]</u>

Tax administration officer(s):

- Name(s): [name(s)]
- Position: [position and department]

2. Description of the established facts

Following the verification of the accounting and tax records of the above-mentioned company, the following facts were established:

- **Nature of irregularities :** [detail fraudulent acts, concealment, voluntary omissions or misuse]
- **Period concerned:** [indicate the relevant fiscal years]

Exemple :

- *Established breach: Failure to comply with export obligations provided for under the law governing industrial free zones.*

3. Applicable tax regime and reassessment items

- Applicable tax regime: [specify the preferential regime initially applied]
- Reassessment items: [detail the amounts involved, calculation bases and adjustments made]

4. Observations of the parties

- **Company representative:** [summary of explanations or objections]
- **Tax administration :** [response or justification to the observations made]

5. **Signatures of the parties**
   This report is drawn up in two copies, one of which is delivered to the concerned company.

Signature of the tax officer

Name: _________________________

Position: ______________________________

Signature and stamp:_____________________

Signature of the company representative

Name: _________________________

Position: ______________________________

Signature: ______________________________

6. Refusal to sign

In case of refusal to sign by the company representative, the following statement must be added:

"The company representative refused to sign this report, a copy of which was delivered to him/her."

<u>Appendix 2</u>: Template of Annual Summary Statement

1. **Identification of the payer (person paying the income)**
   - **Company name / Name:**
   - **Legal form (if legal entity):**
   - **Full address:**
   - **Phone / Email:**
   - **Tax Identification Number (TIN):**
2. **Identification of the beneficiary**
   - **Name / Company name:**
   - **Full address:**
   - **Tax Identification Number (TIN) or equivalent:**
3. **Period concerned**
   - **Calendar year:** [year N]
   - **Payment date(s)** (if multiple payments):usieurs paiements) **:**
4. **Details of income paid**

Type of passive income	Gross amount (FCFA)	Withholding rate (%)	Tax withheld (FCFA)	Net amount paid (FCFA)
1. Salaries and wages (if non-professional, mandate, etc.)				
2. Pensions and annuities				
3. Rental income				
4. Dividends				
5. Interest				
6. Royalties				
7. Other similar income				
8. …				
TOTAL	**…**		**…**	**…**

5. **GLOBAL SUMMARY**
   - **Total gross income paid: … FCFA**
   - **Total tax withheld: … FCFA**
   - **Total net amount paid: … FCFA**
6. **CERTIFICATION**

I, the undersigned [Name, first name and position], certify on my honor the accuracy of the information contained in this annual summary statement of income and withholding taxes.

- **Date: …**
- **Signature: …**
- **Stamp (if applicable): …**

<u>Practical notes</u>

1. Submission procedures:
- *The statement may be submitted in paper or electronic format.*
- *The payer must retain a copy for possible tax audit.*

2. Deadline:

- *The statement must be submitted no later than March 15 of the year following the payment.*

3. *Penalties:*

- *Failure to submit, late submission, or inaccuracies may result in the fixed fine provided for under Article L 104 of the Tax Procedures Code, up to five million (5,000,000) FCFA per defaulting statement.*

4. *Supporting documents:*

- *All supporting documents must be retained for the legal retention period (generally 10 years).*

<u>Annex 3</u> : STATUTORY AUDITOR'S CERTIFICATE ON FINANCIAL STATEMENTS

[Accounting firm letterhead]
[Name of firm]
[Address]
[Contact]
[Registration number]
Financial year ended: [Date]
Company name: [Name]
Legal form: [SA / SARL / etc.]
RCCM number: [Number]
Head office: [Address]

In my capacity as statutory auditor duly appointed by the General Meeting of the company [Name], and registered with the National Order of Chartered Accountants of Cameroon,

I certify that:

1. **The annual financial statements for the year ended [Date]** have been audited in accordance with current professional standards, as part of my annual statutory audit. These financial statements have been prepared and approved by the [Board of Directors/Managing Director/Chief Executive].
2. Following my audit, **I have certified these financial statements / expressed a reserved opinion / issued an adverse opinion / stated that I am unable to certify them,** in accordance with the conclusions of the general report addressed to [shareholders or members].

This certificate, issued pursuant to Section M 6(b) of the Manual of Tax Procedures, is intended solely for the Directorate-General of Taxes and does not replace the auditor's reports issued in accordance with applicable professional standards and the provisions of the OHADA Uniform Act on the Law of Commercial Companies and Economic Interest Groups.

Done at [Place], on [Date]

[Surname and first name of the auditor

[Signature and stamp]

[Registration number with the National Association of Chartered Accountants]

ANNEXES

EXPLANATORY NOTE ON THE USE OF THE PERSONAL INCOME TAX SCALE

(New version)

The new Personal Income Tax came into effect on 1 January 2004.

This tax applies to all individual taxpayers: self-employed persons and employees.

The purpose of this note is to provide employers in the private sector with guidance on the use of the withholding tax scale for their employees' wages.

As part of the reform, the Proportional Tax and the Progressive Surcharge have been merged into a single tax: the Personal Income Tax (IRPP). All other deductions from salaries, payable to quasi-public bodies (Crédit Foncier du Cameroun, CRTV, National Employment Fund, FEICOM and local authorities), remain due.

The present monthly IRPP deduction scale is derived from the annual scale set out in Law No. 2002/014 of 30 December 2002, the Finance Act of the Republic of Cameroon.

Changes compared to the previous version

Changes compared to the previous version

The current version of the scale follows the revision of Article 34 of the General Tax Code (CGI), which increased the rate of the flat-rate allowance for business expenses from 20% to 30%.

Furthermore, two calculation parameters that were adjusted in the previous version are no longer subject to adjustment. Thus, the annual flat-rate allowance is 500,000 CFA francs, in accordance with Article 29 of the CGI; the deduction for social security contributions is calculated by applying a rate of 2.8% to the gross monthly salary, with a ceiling of 300,000 CFA francs.

Finally, the treatment of exceptional salary components has been clarified through Article 65 bis (new).

Taxable base

For the sake of convenience, this scale uses gross salary as the taxable base, whereas the annual scale is based on net salary.

Gross salary is equal to the total of salaries, allowances (including transport allowances), emoluments, wages, pensions and annuities, as well as all benefits in kind or in cash granted to the individuals concerned; excluding family allowances, allowances intended to cover expenses inherent to the post or employment, and compensation for industrial accidents.

Benefits in nature

Benefits in nature are valued using the following rates, applied to the taxable gross salary:

Housing	15 %
Electricity	4 %
Water	2 %
Per household	5 %
Per vehicle	10 %
Food	10 %

Any cash allowance representing benefits in kind must be included in the tax base up to the limits set out in the rates above.

The gross salary in this scale ranges from 62,000 CFA francs to 3,000,000 CFA francs, with increments of 250 CFA francs. Amounts will be rounded down to the next lower bracket in the scale.
In addition to the gross salary, the scale shows the corresponding principal tax amount and, for information purposes, the deductions for municipal tax, the contribution to the Crédit Foncier, and the CRTV licence fee.
It should be noted that monthly salaries below 62,000 CFA francs are exempt from personal income tax.
The net salary to which the tax rate applies is determined by deducting from the gross salary the professional expenses calculated on a flat-rate basis at 30%, as well as the contributions paid to the National Social Security Fund (CNPS) for compulsory pension purposes.
Taxes levied for the benefit of local authorities for services rendered (household waste collection tax, water tax, electricity tax, etc.) must be deducted monthly by employers at the same time as income tax.
Calculation formula
The algorithm used to determine this scale is given below. It will be used in particular to calculate tax on income exceeding 3,000,000 CFA francs; and to develop computer programmes for deducting personal income tax from salaries.

Gross monthly salary	**Rate**	**PIT**
Up to 62 000		0
62 001 à 310 000	10 %	(GMS * 70 % - GMS * 2,8 % - 41,667) * 10 %
310 001 à 429 000	15 %	16 693 + (GMS – 310 000) * 70 % * 15 %
429 001 à 667 000	25 %	29 188 + (GMS – 429 000) * 70 % * 25 %
667 001 and over	35 %	70 830 + (GMS – 667 000) * 70 % * 35 %

In this algorithm, GMS stands for gross monthly salary.
The term Sbm * 2.8% represents the deduction for social security contributions towards the employee's retirement pension.

The Director General of Taxation
(é) Laurent Nkodo