

THE GENERAL TAX CODE

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INTRODUCTORY PROVISIONS GENERAL PROVISIONS

Section 1: (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. 147).

(4) Book III contains the local fiscal system (Sections C.1 to C. 149)

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

- Director of Taxes, read Director General of Taxes;
- Taxation Department, read General Taxation Department;
- Main Taxation Centre, read Regional Taxation Centre;
- Main Taxation Head, read Regional Taxation Centre Head.

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 co-operative 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;

The profits made by non-profit associations which organize, with the help of local councils or public bodies, fairs, exhibitions, sports meetings or other public events for an object defined by

(5) their statutes and of acknowledged economic and social interest;

(6) Regional and local authorities and their public-utility services;

(7) Societies or bodies, responsible for rural development, which are recognized as being of public utility;

(8) Public boards for the allocation of low-cost housing;

(9) Private clubs and societies, for their non-profit-making activities;

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

(11) The National Social Insurance Fund on the part on the benefit that deals with salaries.

(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) Public hospital establishments.

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.

(2) The profits of the undertakings that do not fulfil the conditions referred to in paragraph (1) above shall be taxable in Cameroon where they carry out activities that form a full business cycle in Cameroon.

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 ex-

penditure, insurance premiums, acts of liberality, gifts and subsidies.

However, the following expenses shall be treated thus:

(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 employ-

ment 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 out 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 5% of the taxable profit before deducting the expenses concerned.

In case of a deficit, this provision shall apply to the results of the last financial year not prescribed.

This ceiling shall not apply to expenses relating to technical assistance and studies concerning the assembly of a factory.

The ceiling stipulated above shall be fixed at 2.5% of the turnover for the firms specialized in public works and

7.5% for design firms operating in accordance with the regulations relating to design firms and consulting engineers.

- purchased or sold for firms located in Cameroon within the limit of 5% of the purchase or sales price. This commission must form the subject of a specific bill attached to that of the suppliers or clients.
- 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.
- Commission or brokerage on goods 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 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.

Nevertheless, when a partner has at least 10% 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 expenses of the firm.

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;
- Premiums paid by firms to local insurance companies under contracts relating to career wind-down allowances.

Deduction of such contributions shall only be admitted on condition that it is a general insurance contract, that is, one that concerns the entire staff or one or several specific categories of the staff.

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

(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 recog-

nized 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.

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 two 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:

- actual losses recorded on the fixed assets or feasible assets;
- Losses due to damage duly established and validated in the presence of a taxation officer with at least the rank of an inspector, under the conditions specified in the Tax Procedures Manual.

The actual losses from fixed and liquid assets shall be deductible from the profits.

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 as follows:

Small equipment and tools

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

Construction

Commercial and industrial buildings, garages, workshops and sheds	5%
Processing cabins	5%
Dam waterfall installations	5%
Factories	5%
Dwelling houses	5%
Lime-kilns and plaster	10%
Electric furnaces	10%
Temporary or demountable buildings	20%

Stationary and fixed Equipment

Steam – boilers	10%
Concrete tank	5%
Electric-power transmission-lines:	
* permanent	15%
* temporary	20%
Paper and cotton machines	10%
Oil refining equipment (reforming, visbreaking and distilling equipment)	10%
Hydraulic presses	10%
Compressor presses	10%
Heavy-oil engine	10%
Oil tanks	10%
Heavy and high voltage transformers	10%
Turbines and steam machines	10%

Mobile equipment

Kneading machines and mixers	15%
Excavators	15%
Tanks, brewery distilling and verification tanks	10%
Wood-cutting equipment	20%
Purification and titration equipment	10%
Rolling and spinning appliances	10%
Lightweight machines, lathes, slotting machines, planers and drilling-machines	20%
Factory equipment, including machine-tools	20%
Hammers tires	20%

Perforators	20%
Hand tools known as small tools	100%
Transportation equipment	
Carts.....	25%
Naval and air equipment	20%
Transport barrels (beer, wine)	20%
Metallic transport drums	20%
Containers	25%
Locomotive equipment:	
* Light equipment used in towns	25%
* Light equipment for rental and driving schools	33.33%
Heavy or used in the bush	33.33%
Tractors	20%
Tractors used in forest exploitation	33.33%
Port handling equipment:	
* Freight-elevators	20%
* Large cranes	10%
* Self-propelling cranes	10%
* Railways	5%
* Trucks	5%
Railway Lines	
Rails	5%
Wood sleepers	6.67%
Double block sleepers	5%
Steel sleepers	5%
Ballast	10%
Platform	5%
Leased Lines	1%
Passenger carriages	5%
Line-side structures	
Culverts- box drains- road beds- earth structures	6.67%
Bridges, Tunnels – Viaducts	5%
Level crossings	5%
Leased line-side structures	2%

Locomotives

Purchase of new engines or engines below 10 years 5%

Rehabilitation

Body of the engine 5%

Diesel engines 5%

Traction engines 5%

Complete overhaul of CC engines 8.33%

Complete overhaul of BB engines 12.55%

Partial overhaul of CC engines 16.67%

Partial overhaul of BB engines 25%

Second-hand rail cars 10%

Road engines 5%

Other equipment used for railway activities

Radio equipment and modems 15%

Antennas, beams and level crossing signs 20%

Leased telecommunications and flagging equipment 5%

Passenger transport vehicles 5%

Goods transport carriages 5%

Furniture and Fittings and other equipment

Furniture and fittings and other equipment 10%

Office-furniture and others 10%

Data-processing equipment 25%

Reproduction equipment 33.33%

Special Depreciation

Fishing equipment

Fishing vessels 15%

Hotels, bars, restaurants

Glassware, plates and dishes, kitchen utensil 50%

Linen 33.33%

Silverware 20%

Decoratives 20%

Carpets, curtains and dyeing materials 25%

Fridges and air-conditioners 25%

Cookers 20%

Plastic materials (moulding)

Moulds	33.33%
Pre-heaters or stoves	20%
Pelletizers	20%
Injection press	20%
Light shaping machines: Metallizing machines	20%
Welding machines and cutters	20%
Crushing presses	10%
Gelling and plastification machines	20%
Transfer press	10%
Equipment using chemicals	
Washers and mixers	20%
Recycling appliances	20%
Bleaching appliances	20%
Cooking appliances	20%

E - Provisions

Provisions constituted to meet clearly-specified losses or charges rendered probable by the course of events, provided that they are shown in the annual accounts and appear in the statement of provisions specified in Section 18 hereafter.

Concerning credit 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 effected as follows:

- two years 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;

- three years 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.

The technical provisions of insurance companies, constituted in accordance with the rules and methods prescribed by the code of the inter-african Conference on Insurance markets (CIMA).

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

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 yearold 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 8.-Repealed – FL 2006

Section 8 a.-(1) The expenses referred to in Section 7 above equal to or greater than CFAF 500 000 (five hundred thousand) shall not be deductible when paid in cash.

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

- Expenses supported by invoices not bearing a single Identification number on the tax payers card, to the exclusion of invoices submitted by foreign suppliers;
- Expenses relating to remunerations of all kinds paid to liberal

professionals exercising in violation of the regulations governing their respective profession.

Section 8 (b) (new).- (1) The cost and remunerations of all types 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 territory considered not to be cooperative in matters of transparency or exchange of information required for fiscal purposes by international financial organizations shall be considered a tax haven.

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.- 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 third year after the initial loss.

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:

(1) When the stocks or shares owned by the parent establishment represents at least 25% of the capital of the subsidiary firm.

(2) When the parent and subsidiary firms have their registered office in a CEMAC State.

(3) 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 corresponding to the financial year.

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 1000 shall be disregarded.

(4) Where a company has received income from movable or capital gains on disposal of property subject to a 10% 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.

DIVISION VII **OBLIGATIONS OF TAXPAYERS**

Section 18(1) **new.**-Concerning the assessment of the present tax, taxpayers are expected to file a tax return for income earned from their business venture during the period serving as tax base on or before March 15. Such return must be presented in conformity with the OHADA accounting system.

(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) Firms falling under a dispensational or special tax system shall, within the same period, file a summary declaration of transactions for which they benefitted from exemption, coverage of expenditure, a tax reduction or other tax relief measure, including taxes and levies corresponding to the said transactions.

(5) Firms shall, within the same period, submit a summary of all the stock movements of the financial year concerned, together with the software used in managing the said stock. Concerning computerized accounting, the summary of inventory movements should be produced in dematerialized form.

(6) Corporate bodies which do not opt for corporate tax or which are exempted from it shall also be bound by these obligations.

DIVISION VIII **ASSESSMENT**

Section 19.- For the assessment of the company tax payable by companies which are controlled by, or which

control an undertaking established outside Cameroon, the profits indirectly transferred to the latter by increasing or reducing the purchase or selling price, or by any other means, shall be incorporated in the results shown by their accounts.

The same shall apply to undertakings which are controlled by an undertaking or group likewise in control of undertakings established outside Cameroon.

The accounts of a subsidiary or branch of an undertaking established outside Cameroon may not be invoked in litigation with the tax authority unless they show the profits made by the same subsidiary or agency.

In the absence of accurate information to assess the profits of this kind of undertaking or to make the adjustments provided for by this present Section, taxable profits shall be assessed by comparison with those of similar undertakings operating in Cameroon.

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) The company tax shall be paid on the initiative of the taxpayer not later than the 15th of the fol-

lowing month, in accordance with the terms below:

- (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 firms in the flour-milling sector, one installment representing 2% of turnover realized after 50% abatement. Such installment shall be increased by 10% as levy for additional council;
- (c) For firms subject to the actual earnings tax system and falling under regulated profit margin sectors, one installment representing 14% of gross margin 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.

Within the meaning of this section, the under-mentioned distribution sectors shall be considered regulated profit margin sectors:

- petroleum products and cooking gas;
- flour-milling products;
- pharmaceutical products;
- press products.

The taxation authority shall, as and when necessary, control and check the effectiveness of the margins applied.

- (d) For persons subject to the simplified system, one installment representing 5% of turnover rea-

lized during each month, and paid not later than the 15th day of the following month. Such installment shall be increased by 10% for additional council tax.

(e) For companies not registered in a taxation center, the installment 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.

(2) The installment 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 administrative establishments, public or semi-public corporations as well as private sector enterprises, the list of which shall be established by regulation.

For forestry companies, it shall be deducted at source during payment of undressed or sawn timber purchase invoice

For Logging companies that are not holders of a taxpayer's card, it will be raised to 10%.

The tax deducted shall be paid to the Collector of Taxes under the same conditions as taxes payable spontaneously.

(3) The advance payment shall be:

- 10% for any taxpayer that is not on the register of a tax office.
- purchases made by traders form manufacturers, farmers, importers;
- wholesalers, semi-wholesalers, forest exploiters;

- the purchase of oil products by service station operators and commodities by exporters;

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;
- Purchases made by registered industrialists subject to actual earnings System for exploitations.

The advance payment rate shall be fixed at:

- 15% of the amount of transactions, for taxpayers not registered with a taxation centre and engaged in import activities. The rate shall be increased to 20% where the taxpayer carries out the sale of in-bond goods;
- 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 flat rate tax system and engaged in import activities;
- 5% of the amount of transactions carried out, for traders subject to the simplified tax system;

- 5% of the amount of transactions, for taxpayers subject to discharge tax;
- 2% of the amount of transactions, for traders subject to the actual earnings tax system;
- 0.5% for petroleum products purchases transactions by filling station operators.

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.

DIVISION X **TAXPAYER'S OBLIGATIONS**

Section 22.-(1) For the payment of the taxes collected, industrialists, impor-

ters, 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% 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 constitutes the minimum tax rate as to regards the payment of the company tax.

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

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 all the directly linked to the company’s activities.

For enterprises engaged in the regulated profit margin activities defined

in section 21 above, the turnover used as basis for calculating company tax installment shall be the gross profit margin, gratuities and commissions of any nature received.

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, the Personal Income Tax shall be payable by any natural persons whose residence is in Cameroon.

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

- persons having a home or principal place of residence in Cameroon;
- persons engaged in a salaried or non-salaried professional activity in Cameroon, unless they can prove that this is being done only accessorially;
- 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%

(2) Any cash allowance representing benefits in kind shall be included in the basis of assessment within the limit of the above rates, unless they are specifically exempted by a contrary provision.

Section 34.- 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.

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) The refund of sums of money made available to the enterprises by a partner or manager as advance or loan, where the contribution or advance granted to the enterprise was in cash.

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 placed 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 share holders 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.

Section 37.- 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.

Section 38.- 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.

Section 39.- 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 guarantees;

(4) Current accounts.

D - Profits from transfer of stocks, bonds and other capital shares

Section 42.- The following shall be taxable as income from movable capital, net overall capital gains realized in Cameroon or abroad during the transfer, even the indirect transfer of

stocks, shares and bonds of enterprises governed by Cameroonian law including notably any transfer made in Cameroon or abroad between two foreign companies under the same consolidation scope when one of the entities of this scope, completely or partially, holds the share capital of an enterprise governed by Cameroonian law, including entitlement relating to natural resources.

The tax must be paid prior to the registration formality using a form provided by the taxation department.

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 10 (ten) 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.
- interest on external loans of a maturity period of at least 7 (seven) years;

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 differential 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.

Recorded gains or losses for each transfer operation done during the financial year shall be assessed by the

differential between the transfer price for the securities concerned and their purchase price or their appropriation value, in case of acquisition of such securities during the incorporation of a company or when increasing the company's capital.

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.

(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.

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 non-commercial profession:

- (1) Income from the renting out of built-on or non-built-on property situated in Cameroon;
- (2) Capital gains realized 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.

(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 requisite 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 who operate casinos as a main or secondary activity;

- 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) the taxable profit of taxpayers liable to the simplified system referred to in section 93 (C) below and whose turnover is no less than 10 million and below 30 million shall be calculated on the basis of the operating results posted on the taxpayers accounts kept according to the minimum cash flow system.

Where the taxpayer's turnover is above 30 million and below 50 million, the taxable profit shall be the gross surplus of revenue over the expenses required for operation calculated according to the simplified system.

(2) The taxable profit of taxpayers liable to the simplified taxation system shall be the gross surplus of revenue over the expenses required for operations.

(3) Business expenses deductible for the assessment of the net income of non-salaried insurance brokers or sales representatives shall be fixed at 30% of the gross income, except where actual costs are substantiated.

SUBDIVISION V PROFITS FROM AGRICULTURE

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.-(1) The profit of an agricultural undertaking liable to the simplified taxation system shall mean the surplus receipts from farming, livestock and other proceeds less operating costs incurred during the financial year.

(2) Furthermore, such assessment shall take into account production stores at the close of the year as well as the depreciation of fixed assets pursuant to Section 7 (d) of this Code.

(3) The rules of assessment for capital gains prescribed in Sections 8 to 10 of this Code shall 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 semipublic 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.
- (4) 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.- Except for liberal professions, profits of taxpayers liable to the simplified taxation system shall be made up of the surplus of total receipts less expenses occasioned by professional practice. However, as

regards payments representing studies, consultancy or assistance fees made to persons domiciled abroad, deductible expenses shall fall within the limit of 15% of turnover.

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.-Repealed

Section 59.-(1) 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.

(3) 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

Section 60-64 bis.-Repealed

**II - CALCULATION OF PROFIT-
SOFTAXPAYERS ASSESSED
UNDER THE ACTUAL EARNINGS
SYSTEM**

Section 65.- Repealed

Section 65 bis.- Where, in the course of the financial year a taxpayer realized an income which, by its nature, is not likely to 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 personal income tax for the previous three years, such taxpayer may request that the corresponding tax be calculated by adding one quarter of the net special income to his net overall taxable income and by multiplying by four the additional tax thus obtained.

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**

<i>Components of life style</i>	<i>Corresponding fixed income</i>
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 CFA francs
4. Motor vehicles for the transportation of persons, according to horsepower :	
a) Vehicles of no more than 6 hp	180,000 CFA francs
b) Vehicles of 7 to 10 hp	360,000 CFA francs
c) Vehicles of 11 to 15 hp	540,000 CFA francs
d) Vehicles of more than 15 hp	720,000 CFA francs
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 CFA francs
6. Pleasure and touristic trips abroad	Five times the transport fare per trip
7. Swimming pool	500,000 CFA francs
8. Private aircraft per hp of the aircraft	500,000 CFA francs
9. Water, electricity and telephone bills	5 % of gross income

SUBDIVISION IX
ACTS CONSTITUTING
LIABILITY AND LIABILITY
FOR PAYMENT

Section 67.- 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.

Section 68.-(1) Personal income tax as regards salaries, wages, pensions, life annuities, income from movable capital and non-trading profits for taxpayers assessed under the simplified taxation system, as well as from property, shall fall due upon payment.

(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.

DIVISION III
TAX CALCULATION

Section 69.-(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 francs 10%
- from 2,000,001 to 3,000,000 francs 15%
- from 3,000,001 to 5,000,000 francs 25%
- more than 5,000,000 francs 35%

However, for taxpayers earning industrial and commercial profits, non-

commercial profits and agricultural profits, the tax thus calculated shall not be less than 1% of the turnover of the previous year.

For taxpayers assessed under the simplified system, the minimum levy mentioned above shall stand at:

- 3 % for non-importing trader;
- 5 % for producers, service providers and importing traders.

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

The above minimum tax shall be increased to 5% for taxpayers subject to the simplified tax system.

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.

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

2) However, this rate shall be fixed at 10 % for the non-commercial income and profits referred to in Section 56(2) d, e and f.

Section 71.- 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.

Section 72.-(1) The tax per vehicle payable by road transport operators assessed under the simplified system shall be equal to one quarter of the

highest taxable amount provided for Category C discharge tax times the number of seats.

(2) The tax thus calculated shall imply exemption from personal income tax and value added tax.

However, such road transport operators shall be liable to the business licence tax.

DIVISION IV **ACCOUNTING OBLIGATIONS**

Section 73 (new) .- (1) Taxpayers liable to the simplified taxation system with a turnover of no less than 10 million and below 30 million shall prepare their accounts in accordance with the minimum cash flow requirements set out in the OHADA accounting law.

(2) Taxpayers liable to the simplified taxation system with a turnover of no less than 30 million and below 50 million shall prepare their accounts in accordance with the simplified accounting system provided for by the OHADA accounting law.

(3) 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 this Code.

DIVISION V **OBLIGATION TO FILE RETURNS**

Section 74.- Every taxpayer liable to personal income tax shall file a return of his income during the past year before 15 March of each year to the Taxation Centre of his place of assessment on an official form. An ac-

nowledgement of receipt shall be issued.

However, taxpayers whose sole earnings are salaries, wages, pensions, life annuities and/or capital gains from securities shall be automatically exempted from the above tax obligation where the tax is deducted at source.

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 accessorially 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 Fiscal 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 the Manual of Fiscal 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 ANNUITIES**

Section 81.-(1) 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 payslip.

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

(2) Notwithstanding the provisions of Sub-section 1 above and Section 74, the local staff of international organizations including those of diplomatic and consular missions referred to in section 27 of this Code shall directly file their income tax returns with the tax office having territorial jurisdiction. To this end, the tax authority shall provide the persons concerned with the corresponding forms.

Similarly, such local staffs are required to file, no later than 15 March of each year, with the Taxation Center of the place of the taxation, a detailed statement of income they received during the past year on a form provided by the tax authority.

Section 82.- Personal Income Tax deducted at source in the manner stipulated in Section 81 above shall be paid no later than the 15th of the following month at the Taxation Office of the registration of the employer's establishment.

However, revenues not having been subject to such deduction shall be declared and the tax paid no later than the 15 March of the year at the taxation Office with jurisdiction on a form provided by the tax authority.

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 operating several establishments shall be authorized to make payments either separately for each establishment to the account of the local collector of Taxes, or in a lump sum to the account of the Collector of Taxes of the place of their registered office.

In the case of lump sum payment, the particulars of the deductions relevant to every establishment must be appended.

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.

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.

(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 15% deduction at source shall be levied on gross real estate income calculated in compliance with the provisions of section 48 of this Code.

The deduction at source shall be made exclusively by government services and public establishments, corporate bodies and sole-proprietor business assessed under the actual earnings system and simplified system.

Rents paid to enterprises assessed on the basis of actual earnings and

depending solely on the specialized management units shall be exempt from the deduction.

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.

Section 89.- Taxpayers earning income from real estate and not liable to the deduction at source mentioned in Section 87 above shall be bound to make a down payment based on their personal income tax return fixed at 5% of actual rents earned within 15 days following the end of each quarter of the financial year.

Section 90.-The capital gains referred to in Section 46 (2) shall be subject to a 10% flat rate deducted by the notary for the vendor. The tax shall be paid prior to the registration formality using an official form supplied by the tax authority or through electronic tax return.

The applicable rate for assessment of real estate capital gain tax shall be reduced to 5% for transactions on property located in zones subject to the official price list.

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

Section 91.- The Taxpayer shall spontaneously pay the personal income tax at the taxation centre with jurisdiction,

using special forms provided by the tax authority, 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.

(2) Actual earnings taxation system

An initial payment of 2% of the turnover for the month shall be due not later than the 15th of the following month, on the basis of a return made on a form provided by the tax authority which shall acknowledge receipt thereof.

However, for enterprises engaged in regulated profit margin activities, the turnover used as basis for calculating company tax installment shall be determined as provided for 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 abovementioned 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 installments referred to in Article 91 shall be deducted at source by public accountants and persons of equivalent status during the settlement of bills paid from the budget of the State, regional and local authorities, public administrative establishments, public or semi-public corporations as well as private sector enterprises, the lists of which shall be established by regulation.

Section 92 (a).- A 5% installment shall be deducted at source by the State, regional and local authorities, administrative public establishments, public or semi-public companies and private enterprises 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 person's resident in Cameroon and subject to the simplified tax system or the discharge tax.

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.

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

Section 93.- Tax owed by road transport operators shall be paid within 15 days following the end of each quarter using a card bearing the full name and address of the taxpayer.

Section 93(a) .- (1) Tax owed by non-salaried, sales agents or representatives, including those of the insurance sector shall be retained at source at flat rate of 10% on the amount of the remunerations granted them.

(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.

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

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 ;
- Simplified taxation system ;
- Actual earnings taxation system.

Section 93 (c).- (1) Sole proprietorships with an annual turnover of below 10 million, except for logging companies, professional officers and liberal professions, shall be liable to the flat rate taxation system.

(2) The following shall fall under the simplified system, sole proprietorships and corporate bodies with an annual turnover equal to or above 10 (ten) million and below 50 (fifty) million, save for passenger transporters and games of chance and entertainment enterprises referred to in Section 93 (g) and 93 (h) of this Code.

(3) Sole proprietorships and legal persons with an annual turnover, exclusive of tax of 50 million francs and above shall be liable to the actual earnings taxation system.

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.

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).- The following taxation systems shall be applicable to inter-urban passenger transporters:

(1) Notwithstanding the provisions of sections 93 (b) and 93 (c), natural and legal persons engaging in inter-urban 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.

(2) 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 simplified taxation system: operators of baby foot having between 10 and 25 machines, operators of pinball and video games having between 5 and 15 machines and operators of slot machines having between 3 and 10 machines.

(2) 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.

Section 93 (h).- The taxable profits of taxpayers assessed on the basis of actual earnings and legal persons falling under the simplified taxation system shall be determined as that for company tax.

DIVISION I **TRANSFER, OR CESSATION OF ACTIVITY OR DEATH**

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

Section 95.- Within thirty days following the transfer or cessation of activity, the taxpayer shall file a return of taxable profits up to the date of transfer or cessation, specifying the effective date thereof and the full name, business name and address of the transferee.

In the event of death, the rightful claimants shall file a return within six months with effect from the date of decease.

Section 96.- Except for the special time-limits specified in Section 95 above, all the provisions relating to the obligations of the taxpayer, assessment procedure and penalties shall apply in the event of discontinuance, transfer or death.

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

Section 97.- 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.

Section 98.- 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 deceased 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.

DIVISION II **DEPARTURE FROM CAMEROON**

Section 99.-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.

DIVISION III **PLACE OF ASSESSMENT**

Section 100.- 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 kinds 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.

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 5,000 francs for each omission or inaccuracy and for each payee and each month of lateness. 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 bis.-(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.

DIVISION V

GENERAL AND COMMON PROVISIONS ON COMPANY AND PERSONAL INCOME TAX

A - MEASURES RELATING TO YOUTH EMPLOYMENT PROMOTION

Section 105 (new).- Firms falling under 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.

Such exemption shall only be granted to firms falling under the actual earnings tax system which do not benefit from a dispensational tax system or a special tax incentive system.

This measure shall apply with effect from 1 January 2016 and shall be valid for a three (3) year period. This period shall be extended to five (5) years where recruitment takes place in economically backward areas demarcated by regulation.

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.

Section 107.-Deleted

B - STOCK EXCHANGE TAX SYSTEM

Section 108.-(1) Companies whose ordinary shares are listed on the Cameroon stock exchange shall be entitled to the following company tax reduction rates.

- a) 20% for a period of three (3) years, for capital increases which represent at least 20% of the share capital;
- b) 25% for a period of three (3) years, for spin-offs which represent at least 20% of the share capital;
- c) 28% for a period of three (3) years from the date of listing for

capital increases or spin-off which represent less than 20% of the share capital;

(2) Provided that, where the initial share listing fails to reach 20% for capital increase or spin-off, but is achieved during the period of three (3) years, the reductions referred to in paragraph 1(a) and 1(b) above shall apply to the remainder of the said period.

(3) Such reduction shall be granted to companies listed on the stock market within three (3) years, with effect from 1 January 2016.

Section 109.-Companies that issue stocks in the Cameroon stock exchange shall be entitled to a reduced company rate of 25% for 3 (three) years, with effect from the date of issue.

Such reduction shall be granted to companies listed on the stock market within 3 (three) years, with effect from January 1, 2017.

Section 109 bis .- Companies known to be involved in public issues in accordance with the provisions of the OHADA Uniform Act relating to business corporations and economic interest groups, and which list all or part of their equity interest or debt obligations on the Cameroon stock exchange, shall be entitled to a company tax reduction of 30% for three years, with effect from the date of listing on the stock market.

Section 110.- 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.

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 stock market in Cameroon shall be fixed at 10%.

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

(2) Provided that the following shall be exempted from company tax, tax on income from movable capital or any other similar tax or deduction.

- a) interest on government bonds;
- b) interest on bonds of regional and local authorities;
- c) net capital gains realized by natural or legal persons on the stock market in Cameroon.

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.

Section 112.- 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

Section 113 (new).- (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.

Section 114 (new).- 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

Section 115 (new) (1) Taxes and duties on contracts funded with external or joint resources shall be charged to the budget of the successful bidder.

(2) However, where the public contract financing agreement for a contract funded with external or joint resources does not provide for payment of VAT, the latter shall be charged to the counterpart funds earmarked for in the budget of project owner or beneficiary Ministry.

(3) VAT shall be charged on the acquisition of goods and services directly pertaining to the project establishment, excluding indirect expenditure, such as that on the acquisition of private cars, lodging, catering, professional fees and other study and consultancy fees, or administrative and managerial expenses.

Section 116 (new).- (1) Defrayment shall be evidenced by a certificate issued by a Tax Administration on the basis of pro forma invoices or import declarations produced by the successful bidder.

(2) The certificate referred to in the preceding paragraph shall be issued on condition that the beneficiary Ministry or project owner has budgeted the amounts required to cover the taxes and duties applicable to the contract.

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

Section 116 (new) (a).- (1) The following taxes shall not be subject to payment liability:

- Taxes and duties normally owed by the contract beneficiary or jobbing order awardees;
- Taxes and levies relating to a contract or jobbing order financed through actual expenditure of the Cameroonian counterpart funds

(2) The “taxes and duties normally owed by the beneficiary” shall be:

- registration duties;
- Income tax;

- Value Added Tax on fuels and indirect expenditure referred to in Article 115 above;
- Special tax on remunerations paid abroad;
- Special Tax on Petroleum Products and all other taxes of the petroleum sector;
- Extraction tax, surface tax and all other taxes of the mining sector;
- All other taxes and levies charged to the beneficiary by the tax legislation law in force.

Section 116 (new) (c).- For defrayment purposes, funds derived from the State of Cameroon's debt relief or cancellation shall not be considered as external resources.

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.

Section 118.-(1) Approved Management Centers (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 FCFA 50 000 per year.

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

- CFAF 50 000 to CFAF 150 000 per year for simplified tax system taxpayers;
- CFAF 50 000 to CFAF 250 000 per year for actual earnings tax system taxpayers.

D. INCENTIVES FOR APPROVED MANAGEMENT CENTRES

Section 119.- (1) Members of Approved Management Centers shall benefit from the following measures:

- a 50% abatement on the basis of withholding tax calculation on the purchases of distributors, where such purchases are made from big companies 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.
- exemption from on-the-spot tax controls for the non-prescribed period for any AMC membership before 31 December 2016,
- application of bona fide penalties for tax controls covering the period before AMC membership.

(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 AMCs with at least one hundred (100) active members shall benefit from the following incentives:

- a 50% abatement of company tax or personal income tax with respect to the share of the revenue earned from AMC activities, without the tax owed being below the minimum collection provided for in this Code.

E. INCENTIVES FOR EDUCATION, VOCATIONAL TRAINING AND HEALTH

Section 120.-Without prejudice to the provisions of Section 4 (10) 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:
 - exemption from the obligation to collect VAT on all services provided by these establishments, whether they are directly related to their main teaching or healthcare delivery activity, or accessory thereto, such as catering, distribution of supplies, textbooks and uniforms, school transport and

sale of medical supplies and pharmaceutical products;

- 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

Section 121.- (1) Companies that carry out new investments in an economic disaster area shall be exempted from the following taxes and duties:

- in the installation phase that may not exceed 3 years:
 - o business license tax waiver;
 - o exemption from VAT on purchases of goods and services;
 - o exemption from registration fees on project establishment-related property transfers;
 - o exemption from property tax on buildings used for the project.
- during the first 7 years of operation:
 - o exemption from business license tax;
 - o exemption from company tax and minimum collection;
 - o 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 up to 80% of raw material produced in the area.

(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.

G. INCENTIVES FOR THE AGRICULTURAL SECTOR

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

- 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 fisheries;
- exemption from registration fees for loans agreements to finance agriculture, stock breeding and fisheries;
- exemption from land tax for property belonging to agriculture, stock breeding and fishing companies, and used for these activities, excluding office building.

H. INCENTIVES FOR LOCAL MATERIALS AND RAW MATERIALS

a. BUILDING MATERIALS

Section 123.- Public establishments promoting local building materials shall benefit from the following tax incentives:

- 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. BEVERAGES

Section 124.- (1) New beverages produced and packaged exclusively using local material, save where an ingredient is absolutely unavailable on the local market, shall be subject only to ad valorem excise duty, excluding the

specific excise duty referred in Section 142 (8) 1 . In such a case, no abatement shall apply in the calculation of the ad valorem excise duty.

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.

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 FCFA 50 (fifty) million and payable within three financial years following that in which the expenditure was committed.

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

I. SEEDS

TariffHeading	Product Identification
1) Plant Seeds	
120911 00 000 à 120999 00 000	Seeds
070110 00 000	Potato seeds
060210 00 000	Unrooted cuttings 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 21 000	Robusta coffee seed
090111 31 000	Excelsa coffee seed
090111 41 000	Liberia coffee seed
090111 51 000	Indéné 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	Buckwheat seed
100821 00 000	Semence de Millet Millet seed
100830 10 000	Canary grass seed

120100 10 000	Soya beanseed
120230 00 000	Groundnutseed
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	Fescuseed 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
II. FERTILIZERS	
284290 10 000	Lead arsenate for agriculture and horticulture in drums and containers of 1 kg plus
310100 10 000 à 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, nematocides and fungicides for agricultural use

IV. SOIL PREPARATION AND CULTIVATION MATERIALS AND EQUIPMENT

Tariffheading	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, horticultural 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 combustion engines or internal combustion
871620 00 000	Wagons, trailer or semi-trailer wagons for agricultural purposes

V. FARM TOOLS AND EQUIPMENT

820110 00 000 à 820190 00 000	Small farnequipment
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)
<u>VI. PROCESSING MATERIALS AND EQUIPMENT</u>	
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
<u>VII. MATERIALS AND EQUIPMENT FOR IRRIGATION</u>	
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
<u>VIII. PACKAGING AND BRACING MATERIALS</u>	
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)
I. <u>SMALL AGRICULTURAL AND LIVESTOCK MATERIALS AND EQUIPMENT</u>	
392310 00 000	Boxes, cases, crates and similar articles of plastics
481920 00 000 à 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)
II. <u>SMALL FISHING TACKLES</u>	
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)

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 concern 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;
 - 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 belief, 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.
 - 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

DIVISION III **EXEMPTIONS**

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

- 1) The following transactions, provided they are subject to specific taxes exclusive of tax on turnover:
 - a) sale of mining products;
 - b) real estate transactions of all kinds carried out by non-professionals;
 - c) interest on external loans;

- d) interest on deposits with credit and financial institutions by non professionals of the financial sector ;
- e) Deleted.
- 2) International traffic transactions concerning:**
- a) ships and boats used for industrial or commercial activities in the high seas;
- b) lifeboats and assistance boats;
- c) aircraft and ships used for maintenance and refuelling operations;
- d) 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) 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 ;
- 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) the social consumption brackets for the benefit of households and relating to the following utilities:**
- water: up to 10 m³ a month;
 - electricity: up to 110 kw a month.
- 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) life and health insurance contracts and commissions;**

14) local transformation of wood and finished or semi-finished products especially logging, modeling and assembly

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) 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.

19) the sale of low-cost houses to natural persons acquiring their first dwelling house subject to a clearance from the tax authority.

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

21) materials and equipment specifically designed for persons with disabilities, the list of which shall be established by regulation;

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.

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:

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

DIVISION V **EXCISE DUTY**

Section 131.-*Anad valorem* excise duty on products in annex II is hereby instituted. The conditions of application thereof are laid down in the following sections.

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;
- b) on receipt of the price, payment by installments or advances made for real estate services and work, transactions relating to low-cost housing and the development of industrial zones, as well as phases of services and works. Such liability shall also concern State suppliers, government services with an annex budget, public establishments and corporations as well as regional and local 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;
- 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 giving shall be submitted to excise duty which is deductible from taxable profit for the calculation of company tax.

Section 137(ter) (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 the excise duty on imports shall be determined by adding the amount of the customs duty to the taxable value as defined by Articles 23 to 26 to CEMAC Customs Code.

For goods and merchandise entering the territory from a CEMAC member state, the basis of assessment shall be the ex-works value, excluding forwarding costs.

The basis of assessment for VAT and Excise Duty on imports of the following alcoholic beverages and tobacco products shall be the taxable value as defined by articles 23 to 48 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.

(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).- In the specific case of carbonated beverages listed below, the assessment base of excise duty shall be determined after the application of an abatement of:

- 25% for carbonated beverages;
- 20% for beers with an alcohol content less than or equal to 5,5%.

B – Rates

Section 142.-(1) VAT and excise duty rates shall be fixed as follows:

a) Value Added Tax :	
- general rate	17,5%
- zero rate	0%
b) Excise Duty:	
- General Rate	25%
- Abated rate.....	12.5%
- 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 zero rate shall apply to exports of taxable products.

(5) The excise duty general rate shall apply to goods listed in Annex II of this code, exclusive of vehicles, mobile phone communications and internet services.

(6) a) The abated rate of excise duty shall apply to:

- private vehicles with a combustion engine, aged more than 10 (ten) years;

- utility vehicles and road tractors aged more than 15 (fifteen) years, exclusive of agricultural tractors.

b) the extra-abated rate shall apply to the tax-free turnover of mobile telephone communication and internet service enterprises.

(7) In the specific case of tobacco, the excise duty amount resulting from the application of the 25% rate referred to in subsection 1 (b) above, shall not be less than CFAF 3 500 for 1 000 cigarette rods.

(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.

(9) The provisions of Sub-section (8) above notwithstanding, specific excise duties shall be applied on non-returnable packing under the following conditions:

- CFAF 15 per non-returnable packaging unit for alcoholic and carbonated beverages;

- CFAF 5 per non-returnable packaging unit for all other beverages.

The additional excise duty resulting from the application of the specific tax system are as follows:

- 75 francs CFA for all 65 centiliters of beer and 37,5 francs CFA for all 33 liters of beer;

- 75 francs CFA for all spirit and mixed liquors of 50 centiliters;

- 300 francs CFA for all wines of 75 centiliters which are locally produced or those of inferior quality;

- 120 francs CFA per liter for all wines which complete the production cycle here in Cameroon and sold in boxes;

- 200 francs CFA for high-end wines;

- 3000 francs CFA for high-end whiskies;

- 500 francs CFA for whiskies of 75 centiliters which are locally produced or those of inferior quality;

- 100 francs CFA for whiskies that are sold in sachets of 10 centiliters;

- 2000 francs CFA for champagnes of 75 centiliters or inferior quality;

- 4000 francs CFA for high-end champagnes.

The lists of the above mentioned products will be determined by a joint circular of the minister in charge of finance and commerce.

However, for the above mentioned, if the volume does not correspond to the above standards, the additional excise duty will be calculated using the quota of their respective specifications.

C - Deductions

Section 143.-(1) Vat 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 by a registered supplier who is assessed on the basis of actual earnings and bearing his single 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.
- 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.

(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.

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 in-

voice 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;
- 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 provisional-

ly 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.

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.

(2) 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 invoic-

ces and credit notes relating to commercial discounts.

Notwithstanding the provisions of sections 93 quarter and 132 of this Code, deduction at source of the VAT shall be applied to all the suppliers of public entities referred to in this paragraph, without consideration of the tax regime.

Provided that, the Minister in charge of finance may, as and when necessary, exempt certain enterprises potentially in structural credit situation from the above mentioned deduction at source.

(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.

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 F 50 million, for enterprises falling under the Large Tax Department, and exceeding CFAF 20 million for the other enterprises, shall be forwarded to the relevant taxation centre 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 be 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;
- within 3 (three) months of filling the application, to industrialists and leasing establishments having purchased equipment whose corresponding VAT cannot be offset through the assessment mechanism within a period of one year.
- to exporters within a time-limit of not more than 2 (two) months from the date the application for reimbursement is lodged;
- within 3 (three) months of filing the application, credits resulting from investments made by marketers as part of the construction of filling stations and that cannot be offset over a period of one year through the normal assessment mechanism;
- at the close of the financial year, to non-profit making organizations with voluntary and selfless management, where their transactions are of a social, sporting, cultural,

religious, educational or philanthropic nature and consistent with their objectives. Such organizations must be approved by the competent authority and each transaction must have the prior approval of the Director of Taxation.

- To exporters within a time-limit of not more than 2 (two) months from the date the application for reimbursement is lodged;

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.

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 I: LIST OF BASIC COMMODITIES EXEMPTED FROM VAT

TARIF			Libellé
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			
à	00	000	Fish
030569			
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, concentrated, not containing added sugar or other sweetening matter
040299	00	100	Other milk and cream, concentrated, 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
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
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 à 3006			Pharmaceuticals
3101 à 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	Dictionaries 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 5×10^{-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
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 DUTY

HEADING No.	TARIFF DESCRIPTION
2201 to 2202	Soft drinks, imported mineral water
22 03	beer made from malt
22 04	wine of fresh grapes... the entire tariff position
22 05	vermouth and other wine of fresh grapes
22 06	other fermented beverages (for example, cider, perry, mead).
22 08	spirits, whiskies, rum, gin, etc, with the exception of : 22 08 90 10 “ ethyl alcohol undenatured...”
22060000	other fermented beverages (for example cider, perry and mead)
22082000 to22089092	Brandies, whiskies, rum, gin, and spirits etc except:
22099010	“undenatured ethyl alcohol...”
24 02	cigars, cheroots, cigarillos of tobacco or of tobacco substitutes
24 03 99 10	chewing tobacco and snuff
24 03 99 90	other manufactured tobacco
71 01 to 71 05	natural pearls, precious stones
71 06 to 71 12	Precious metal
	jewellery
71 13 to 71 17	mobile telephone calls and Internet services.
870321 to 870324	
870331 to 870333	Private combustion engine vehicles more than 10 (ten) years old
870390	
870120	
870190	
870421 to 870423	Utility vehicles and road tractors more than 15 (fifteen) years old, exclusive of
870431 to 870432	agricultural tractors
870490	
870210 to 870290	
030390 0000	Frozen fish livers and roes of No.03.03
030520 0000	Fish, livers and roes, dried, smoked, salted or in brine

**PART III
COUNCIL TAXES**

From section 154 to section 205 refer to book three on Local Fiscal Systems

**PART IV
DIVERSE 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 levy shall be 15% of the turnover of the period concerned, and be calculated in accordance with the provisions of Section 210 above.

The tax thus calculated shall be increased by 10% representing additional taxes to be collected by the council having jurisdiction over the place of operation. This amount 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 provi-

sions 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 francs 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 licence 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 francs per machine per year;
- category 2: pin-ball machines and video game machines: 40,000 francs per machine per year;
- category 3: slot machines: 100,000 francs per machine per year.

An additional charge of 10% for council tax shall be levied for the benefit of the local council of the area where the machine is operated.

Section 218.- Any person liable to the tax shall be required to file a tax return between 1 January 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 licence shall be punished with a fine of 25,000 francs 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 5,000 (five thousand) francs.

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 tourist tax rate shall be 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.

Section 223.- The tourist tax revenue shall be allocated as follows:

- State: 80%;
- Council in which the accommodation facility is located : 20%

Section 224.- The procedures for tourist tax control, recovery and litigation shall be those provided for by the Manual of Tax Procedures.

CHAPTER III FIREARMS TAX

From section 221 to section 224 refer to book three on Local Fiscal Systems

CHAPTER IV SPECIAL INCOME TAX

Section 225.- 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 firms establishments 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 pur pose, 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

- trades, both the sketch or model and 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;
- deliveries of all sorts as part of public contracts or orders, paid from the budget of the State, regional and local authorities, public institutions, public corporations and semi-public companies, or through external financing;
- remunerations of all types for public procurement, excluding that for medicines or medical supplies, where the successful bidder is not domiciled in Cameroon.
- the sale or leasing of licences to use patents, trademarks, processes and secret formulae;

- 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 assistance services, equipment and material rentals and any other services provided to oil companies, including during the exploration and development phases, excluding paid services provided by an affiliated company during the exploration and development phases.

The special tax shall be payable so long as a return has not been accepted by the tax authority.

Section 225 (a) (new).- (1) The admission 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.

Section 225 (b).- (1) Subject to international tax treaties, the Special Income Tax rates shall be fixed as follows:

- general rate: 15%;
- average rate: 10%;
- reduced rate: 5%.

(2) The general rate of the Special Income Tax shall apply to all remunerations subject to this tax except:

- remunerations for ad hoc material services paid to non-domiciled companies having waived the taxes in accordance with the tax returns, subject to the average rate of 10%;
- remunerations under public procurement where the successful bidders are not domiciled in Came-

room, subject to the reduced rate of 5%.

Section 226.- The above proceeds shall be taxable where they are paid by enterprises or establishments 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.

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.

This payment shall be regularized by a roll in the name of the payer on the basis of a ten-day statement drawn up by the collection service.

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.

PART V
SPECIAL TAXES

CHAPTER I
SPECIAL TAX ON PETROLEUM PRODUCTS

Section 229.- (1)A special tax on the sale of the following petroleum products is hereby instituted:

- premium grade petrol;
- gas-oil.

(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:

- 120 Francs per litre of premium grade petrol;
- 65 F per litre of gas-oil.

Section 231 (new).- The rates of the special tax on petroleum products shall be as follows:

- 110 Francs per litre of premium grade petrol;
- 65 F per litre of gas-oil.

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 delivery of taxable products by the National Refining Company (SONARA).

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.

However, taxable petroleum products intended to refuel fishing boats shall be exempt from the special tax on petroleum products within the limit of the quarterly consumption quotas authorized by the tax authority.

Section 233.- The special tax on petroleum products shall be deducted at source by the SCDP during removal by distributing companies and SONARA for deliveries to legal or natural persons other than distributing companies.

It shall be paid by the natural or corporate body importing the taxable products.

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.

Section 234.- The part of the special tax on petroleum products collected as road royalties shall be levied as follows:

- 75 francs per litre of premium grade petrol;
- 65 francs per litre of gas-oil.

The above provision notwithstanding, the proceeds of the special tax on petroleum products paid as road royalties may not exceed the ceiling fixed annually by the Finance Law.

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.

Section 235.- The special tax on petroleum products collected by the SCDP or SONARA or owed by the importer of the said products shall be transferred to the tax collector with territorial competence.

Section 235 (new).- The Special tax on petroleum products collected by

SCDP or SONARA shall be transferred to the relevant collector of Taxes.

Section 236.-(1) Payers of the special tax on petroleum products shall be issued a single receipt for the Collector of Taxes comprising the part payable into the Treasury and the part payable as road royalties.

(2) 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 or SONARA or payable by the importer of taxable products shall be transferred monthly no later than the twentieth (20th) days into each month for transactions carried out during the previous month, on presentation of the tax return made by the tax payer.

(2) Deleted.

(3) Deleted.

(4) 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.- 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 taxes, duties and royalties on mining and water royalties shall be set as follows:

(1) Application for the grant, renewal or transfer of the small scale mining card, small-scale mining permit, collector's card and authorization to open a minerals marketing office:

(i) Small-scale mining card :

- Grant: CFAF 10 000

- Renewal: CFAF 15 000

(ii) Artisanal mining permit :

- Grant: CFAF 50 000

- Renewal: CFAF 100 000

- Transfer: CFAF 250 000

(iii) Individual prospector's card :

- Granting: CFAF 25 000

- Renewal: CFAF 50 000

- Transfer: CFAF 75 000

(iv) Authorization to open a minerals marketing office:

- Grant: CFAF 1 000 000

- Renewal: CFAF 1 500 000

(2) Application for the grant or renewal of exploration permit:

-Granting: CFAF 1 000 000

- Renewal: CFAF 2 500 000

(3) Application for the grant, renewal or transfer of mining exploration licence:

- Grant: CFAF 3,000/ km²

- Renewal: CFAF 4,000/km²

- Transfer: CFAF 10,000,000

(4) Application for the grant, renewal or transfer of mining licence:

- Grant: CFAF 6,000,000

- Renewal: CFAF 15,000,000

- Transfer: CFAF 30,000,000

(5)Application for the grant, renewal or transfer of small mine mining licence:

- Grant: CFAF 3,000,000

- Renewal: CFAF 6,000,000

- Transfer: CFAF 15,000,000

(6) Application for the grant, renewal or transfer of quarry operation authorization and quarry operation permit:

(i) Quarry operation authorization: -
Grant: CFAF 1,500,000

(ii) Quarry operation permit:

- Grant: CFAF 2,000,000

- Renewal: CFAF 2,500,000

- Transfer: CFAF 3,000,000

(7) Application for the grant, renewal or transfer of geothermal deposit, spring water, mineral water and thermal spring water exploration and prospecting permits:

(i)Exploration permit :

- Grant: CFAF 300,000

- Renewal: CFAF 500,000

(ii) Prospection permits :

- Grant: CFAF 1,000,000

- Renewal: CFAF 1,500,000

- Transfer: CFAF 2,000,000

(8) Application for the grant, renewal and transfer of geothermal deposit, spring water, mineral water and thermal spring water operation permits: -
Grant: CFAF 3,000,000

- Renewal: CFAF 6,000,000

- Transfer: CFAF 15,000,000

(9) Mining area royalties:

• Small-scale mining authorization:

CFAF 50/m² /year

- Quarry operation authorization and permit: CFAF 25/m²/year
- operation permits for geothermal deposits, spring water, mineral water and thermal spring water: CFAF 15 /m²/year
- Industrial mining licence: CFAF 200,000/km²/year
- Small-scale mining permit: CFAF 75 000/m²/year
- Prospecting licence:
 - 1st year : CFAF 1,000/km²/year
 - 2nd year: CFAF 2,000/km²/year
 - 3rd year: CFAF 4,000/km²/year
 - 4th year: CFAF 5,000/ km²/year
 - 5th year: CFAF 6,000/km²/year
 - 6th year: CFAF 7,000/km²/year
 - 7th year: CFAF 7,000/km²/year
- Exploration permits for geo-thermal deposits, spring water, mineral water and thermal spring water:
 - 1st year: CFAF 5 000 /m²/year;
 - 2nd year: CFAF 6 000 /m²/year;
 - 3rd year: CFAF 7 000 /m²/year;
 - 4th year: CFAF 14 000 /m²/year;
 - 5th year: CFAF 15 000 /m²/year;
 - 6th year: CFAF 30 000 /m²/year;
 - 7th year: CFAF 31 000 /m²/year;
 - 8th year: CFAF 62 000 /m²/year;
 - 9th year: CFAF 63 000 /m²/year;

The minimum amounts of area royalties to be collected annually for a mining licence shall be CFAF 2,000,000 (two million) for small-scale mining and 4,000 000 (four million) for industrial mining.

(10) The extraction tax on quarry products shall depend on the volume

of extracted materials and shall be fixed as follows:

- Unconsolidated materials (clay, pebbles, laterite, pozzolana, sand, etc.): CFAF 200/m³.
- Hard materials (stones): CFAF 350 / m²

(11) The ad valorem tax shall be fixed as follows:

- precious stones (diamond, emerald, ruby, sapphire): 8%
- Precious metals (gold, platinum, etc.): 5%
- Base metals and other mineral substances: 5%;
- Radioactive substances and their derivatives: 10%;
- Geothermal site, spring water, mineral and thermo-mineral water: CFAF 800/m

The market value referred to in Sub-section (11) above shall be fixed as and when necessary by the Minister in charge of finance.

The ad valorem tax for a given financial year shall be deductible from the profits liable for income tax and shall not exceed 5% of the turnover generated during the same financial year.

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 reckoning of collections in kind.

(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 239 (c).- (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 obligation to pay referred to in paragraph (1) above shall be established by means of a tax clearance certificate duly signed by the Director General of Taxation.

Section 239 (d).- The proceeds from the *ad valorem* tax on spring water, mineral water, thermalspring 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.

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 undressed timber from all logging licenses, including the community and council forests. The rate shall be 2,5%.

Failure to pay the felling tax due shall entail suspension of the exports of the operator concerned.

The conditions for assessing, collecting and controlling this tax shall be defined by decree.

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 F/ha.

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 proceeds of annual forestry royalties shall be allocated as follows:

- State 50%
- Councils of location of the logging license : 54% of the 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.

- Support to recovery: 10% of the 50%, that is 5%;
- Centralization at FEICOM: 36% of the 50%, that 18%;
- Councils on which the logging licence is situated: 54% of the remaining 50%, that is 27%.

(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 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 F/m³
- First grade promotion timber, other than Ayous..... 4,000 F/m³
- Second grade promotion timber..... 1000 F/m³

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 224 (a)- The rates of the regeneration tax on non-timber forest products and special products shall be fixed as follows:

- Ebony wood (diospyros crassiflora hier): CFAF 100/kg;
- Pygeum bark (prunus Africana): CFAF 25/kg;
- Other products: CFAF 10/kg

DIVISION IV
GUARANTEES

Section 245.-(1) A bank security is hereby instituted to cover both the tax

and environmental obligations stipulated by the laws and regulations in force and those provided for by the specifications and development 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 2,000, all logging licences that are valid or are in the process of being granted shall be required to provide the security.

Companies covered by the specialized management units are exempted from the guarantee, subject to the fulfillment of their tax obligations as proven by a discharge issued by the Director General of Taxes.

Failure to produce a bank security within the prescribed time limit shall entail sanctions ranging from suspension to withdrawal of the licence.

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 licence 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 licence concerned. Where the security is not provided within 30 (thirty) days following suspension of the licence, 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.

(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 francs/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 cm³ : 10 francs per pole;
 - from 10 to 20 cm³: ... 30 francs per pole; and
 - more than 20 cm³: 50 francs per pole.
- c) Building timber (posts); the price shall be fixed as follows:
 - less than 30 cm³ : ... 2,000 francs;

- from 30 to 40 cm³: .. 3,000 francs;
 - from 40 to 50 cm³ ... 4,000 francs;
 - more than 50 cm³: ... 5,000 francs.
- d) Firewood; the price shall be fixed as follows:
 - 1 m³ of firewood: 65 francs;
 - 1 m³ under State management: 650 francs.
 - 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 bis.-(1) No one is authorized to export dressed and semi-dressed timber, unless he has prove of payment of:

- the internal forestry taxes, especially the annual forestry royalty, the felling tax and the factory tax for processed timber and logs;
- the regeneration tax for non timber, special and medicinal forest products.

(2) *Deleted;*

(3) Where the taxes referred to in Section 247 bis (1) above are not paid spontaneously, such taxes shall be levied with a 400% penalty and recovered as required before export of the products concerned by the logging companies whose list shall be drawn up by the minister in charge of finance.

(4) Whatever the case, the exportation of the above products can only be

authorised upon presentation of a tax clearance dully signed by the tax administration.

(5) The enterprises referred to in Section 247 bis (3) above shall be

jointly and severally liable for the payment of the outstanding taxes alongside the defaulting taxpayer in the case of illegal exportation.

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.

(2) Non-renewable equipment subsidies paid on non-renewable property shall not affect the taxable output of the concession holder.

(3) 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.

(4) 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 SPECIFICTO 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 one (1) 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 depre-

ciation 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

Section 262.-Deleted.

DIVISION I 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 favourable 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 reassessment 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 equip-

ment 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 degressive, depending on the nature of the instruments and transfers liable thereto.

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 degressive fees shall be charged on the transmission of owner

ship, 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.

Provided that, 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 PARTIES 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 degressive fees.

Provided that, the minimum fees for judgements 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) Writs

c) Administrative instrument recording agreements between the State or bodies corporate 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:

- 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:

- 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:

- wills, whether or not deposited with a notary, at the request of heirs, donors, legatees, or executors thereof.

Provided that, 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, what-

ever 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. Provided that 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 degressive fees shall be determined in accordance with the sections below.

DIVISION I LEASES AND RENTALS

Section 281.- For leases, sub-leases, transfers and retrocessions, extension-
of leases of personal property, busi-

nesses 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 annual with the 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 **JUDGEMENTS**

Section 286.- For instruments and final judgements 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 dona-

tion 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 judgements, 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 judgements, 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:

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.

The expenses incurred during the last illness and the funeral expenses within the limit set by the instruments in force in each State.

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.

Provided that where the debt was 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 contrac-

ting 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:

- (1) For the transfer against payment of property other than debts, annuities or pensions, through the stated price together with all capital charges;
- (2) For marriage contributions, the grant of legacies and transfer inter vivos or on death, through valuation in the following manner:

Age of Usufructuary	Value of Usufruct as compared to the value of fullownership	Value of Ownership without usufruct as compared to the value of 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

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 timelimits 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 merge of the usufruct and the ownership where such merge 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 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 – 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;
- 2) bailiffs and others authorized to make writs and reports for instruments of their department;
- 3) registrars, for instruments and judgements 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.

Provided that 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 ins-

truments 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 judgements 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 judgements 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 judgements or decisions.

Provided that the plaintiff alone shall be liable if non-suited by the judgement or decision. The parties ordered to bear the costs when the judgement 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 INSTALLMENTS

A - Leases of personal property and 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.

The application for time-limit shall be addressed to the Director General of Taxation. 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 authorised to make writs or reports and registrars and government clerks who, due to negligence, have not had their instruments or judgements 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 judgements 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 instruments 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 degressive 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.

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 body corporate 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 pro-

cedure 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.

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 or 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 countersignature and initialing of business registers, whatever their form;

7) instruments, records and judgments in civil cases, where the Legal Department acts of 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 programme;

16) instruments relating to procedure by defence 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 cheque services; certificates of ownership and attested affidavits and other documents required by savings banks or postal cheques centres 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 modest wages and salaries of civil servants, members of the armed forces 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 as well as contracts awarded by public and semi-public corporations, 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 francs 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.- Degressive 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 sale outright 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) instruments on agreements and conventions concluded with the State to execute the economic and social

development plan financed by foreign aid, except where the application of the progressive fee would be more favourable to the taxpayer;

2) jointly funded government contracts awarded by the State to execute the economic and social development plan financed largely by foreign aid, except where the application of the proportional rate would be more favourable to the taxpayer;

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) promissory 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
IN SUCH DUTIES

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 2,000 francs in addition to the fee.

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 2,000 francs and personal liability for the fee, subject to the exemptions mentioned in the preceding Section and in the Sections below.

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.

Section 358.- Under pain of a fine of 2,000 francs, notaries and bailiffs shall be prohibited from receiving an instrument without registering it.

Wills deposited with notaries by testators shall be exempted.

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 2,000 francs.

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 francs, 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 its 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, judgements 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 preceding 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 2,000 francs.

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 judgement ordering payment of costs or tax on costs by the judge, the extract of the judgement or the executory clause under pain of a fine of 2,000 francs for each extract of judgement 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 francs 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 francs 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 judgement 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 follow-

ing, 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 1,000 francs for each omission;

2) bailiffs: all instruments and writs served by them, under pain of a fine of 2,000 francs for each omission;

3) registrars: all instruments and judgements whose copy kept by the authority must, in accordance with the present Code, be registered, under pain of a fine of

2,000 francs 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 2,000 francs for each omission.

The absence of a register shall be punished with a fine to which shall be added a fine of 5,000 francs 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 10,000 francs, irrespective of the length of the delay recorded.

Section 385.- Regardless of the provisions of the preceding 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 10,000 francs for refusal.

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 judgements 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 francs 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 francs 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 francs for every article sold and not recorded in the sale report, in addition to payment of the registration fee thereof;
- 10,000 francs 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 francs 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 francs, 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 francs.

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 francs.

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 certifi-

cate 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 francs.

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 francs.

DIVISION XII
OBLIGATIONS OF DEPOSITA-
RIES 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, stock-brokers, 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 francs.

DIVISION XIII
OBLIGATIONS OF COLLEC-
TORS

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 francs 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 Proce-*

dures with respect to direct taxes, duties and fees.

Section 413 to 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 BASEDON 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 judgements 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 defence 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 defence; 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 francs 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 defence, 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 francs.

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 judgements, and of instruments or documents must be accurate, legible, without blanks or deletions and without abbreviations.

Section 436.- Copies of writs, notifications from defence-counsel to defence-counsel and notifications of any judgement, 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 francs.

D - Rates and collection

Section 438.- Paper to be used as official paper for stamp duty purposes shall be produced in the following sizes:

Description	Format	
	Length	Width
- register page	54	42
- standard paper	42	27 or 29.7
- ½ sheet of normal paper	27 or 29.7	21

They shall bear a special watermark, made of the pulp itself; the mark on official paper shall be at the top left-hand corner of the unspread ½ (half) sheet.

Section 439.- Persons who desire to use paper other than the official paper types or parchments shall be required to stamp them prior to their use.

In that case, the paper shall be stamped by machine, but the mark shall be on the top right hand side of the sheet.

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.

The adhesive stamp must be affixed on the top left-hand corner of the sheet (unspread) or of the half sheet.

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 francs, irrespective of paper sizes, whether they exceed register paper or are smaller than half a sheet of standard paper.

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 francs 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, safeconduct 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 francs 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.

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 concretised 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 judgements 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) cheques and bank transfer orders;

9) cheques drawn on post office accounts;

10) receipts issued to registrars by Tax Collectors, extracts of judgements 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 1,000 francs in the first instance and 10,000 francs in case of a subsequent offence.

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 judgements 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 judgement, 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 defence counsels, bai-

liffs, 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, defence counsels, registrars, bailiffs and other law officials shall be liable to a fine of 2,000 francs 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 1,000 francs 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) francs.

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 francs.

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 francs 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 judgement. 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 judgement 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

to Taxation Services which shall act as official trustees or provisional administrator thereof through its employees. 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 2,000 francs.

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.

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 authorised 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.

C - 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 made 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 regularisation.

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 reconstitute 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.

Judgement 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 judgement 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 judgement shall, where applicable, rule on the fees due to the trustee for current matters and give the final judgement 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 DUTIES

Section 542.-(1) Stamp duty on bills of lading and goods 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 subject to:

- a) the high rate of 15%:
- instruments and transfers of built-on estates in urban areas;
 - 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.

The high rate shall be reduced to 10% for built-on estates in urban areas under the official price list.

b) The intermediate rate of 10%:

- instruments and transfers of urban non-built-on and rural built-on 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.

The intermediate rate shall be reduced to 5% for urban non-built-on and rural built-on estates under the official price list.

c) The average rate of 5%:

- instruments and transfers of rural non-built-on estates;
- instruments and transfers provided for in Section 342 including rural leases for business uses and excluding leases of dwelling houses in rural areas.
- Government contracts and orders of less than 5 million paid from the budget of the State, regional and local authorities, administrative public establishments, public and semi-public corporations or from foreign aid.

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 francs 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 provided for in Section 343 of this Code, including reciprocal contacts for
- loans without surety where the latter, by their nature, are not considered as acts of trade;
- Transfers, even indirect, in Cameroon or abroad, of shares and bonds 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.

- leases of houses in rural areas:
- Subject to the provisions of Section 350 and 545, public contracts and orders of amounts above CFAF 5 million paid from the budget of the State, regional and local authorities, administrative public establishments, public and semi-public corporations or from foreign aid.
- in addition to the provisions of Section 343 (5) of this Code, public contracts paid:
 - either from the budget of the State, a regional and local authority, a public administrative establishment defined by law;
 - or from foreign aid;
- decisions of the Court of Appeal pertaining to sentences ranking of creditors, liquidation or obligations

in respect of the sums and securities and interests.

Subject to the provisions of Sections 350 and 545, public contracts and of an amount equal to or exceeding 5,000,000 francs, paid from the budget of the State, local and regional authorities, and administrative public establishments.

- public contracts and procurements worth less than 5 million francs, paid from the budget of state-owned companies and joint venture companies.

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.;
- public contracts and procurements worth 5 million francs and above, paid from the budget of state-owned companies and joint venture companies.

DIVISION II **DEGRESSIVE FEES AND** **PROGRESSIVE FEES**

Section 544.-A - Degressive fees

The degressive fees provided for in Section 346 of this Code shall be fixed as follows:

- 2% with a maximum of 750,000 francs for capital ranging from 0 to 750,000,000;
- 1.5% with a maximum of 1,500,000 francs for capital ranging from 750,000,001 to 1,500,000,000;

- 1% with a maximum of 3,000,000 francs for capital ranging from 1,500,000,001 to 3,000,000,000;
- 0.5% with a maximum of 5,000,000 francs for capital ranging from 3,000,000,001 and 5,000,000,000;
- 0.25% with a maximum of 2,500,000 francs for capital above 5,000,000,000 francs.

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 91 above on prices in the 0 to 5,000,000 francs bracket;
- proportional fee of 2% on prices in the 5,000,001 to 10,000,000 francs bracket;
- proportional fee of 5% on prices in the 10,000,001 to 15,000,000 francs bracket;
- proportional fee of 10% on prices in the 15,000,001 to 20,000,000 francs bracket;
- proportional fee provided for in Section 543 (a) above on prices above 20,000,000 francs.

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:

- on amounts in the 500,001 to 2,000,000 francs bracket:
..... 2%
- on amounts in the 2,000,001 to 5,000,000 francs bracket:
..... 5%
- on amounts in the 5,000,001 to 10,000,000 francs bracket:
..... 8%
- on amounts above 10,000,000 francs
..... 10%

2) Reduction:

Fees payable by the surviving spouse(s) and the heirs in direct line (father, mother, daughter, grandson, etc.) shall be reduced by 75% with a maximum of 30,000 francs for each heir in direct line and 30,000 francs for the spouse or for the spouses jointly, in the case of polygamous marriage.

Fees payable by heirs in collateral line and other heirs shall be reduced by 10% for each dependent child (minor or invalid) with a maximum reduction of 50%.

Heirs in direct line and the surviving spouse may be entitled to the above reduction, calculated on the reduced fee.

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 descent or ascent, 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 francs.

The instruments referred to in Section 350 above shall be subject to a fixed proportional registration of 50,000 francs.

b) Fixed rate of 20,000 francs

The under mentioned instruments shall be subject to the fixed proportional registration fee of 20,000 francs:

- *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 Guarantee instruments, notwithstanding the provisions of Section 344 (7) above.

c) Fixed rate of 4,000 francs

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 proportional rate of 4,000 francs, the provisions of Section 353(1) above notwithstanding.

B - Fixed rates as minimum payment

The following shall be subject to a fixed unproportional rate hereunder regarded as a minimum payment:

a) fixed rate of 20,000 francs:

- 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 francs

The instruments and transactions referred to in Sections 352 and 546(b) of this Code;

c) Fixed rate of 10,000 francs

The instruments and transactions referred to in Section 353(2) above, and instruments authenticated by a notary;

d) Fixed rate of 4,000 francs

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

Instruments and judgments transferring ownership of mortgaged property and real property rights to lending and

microfinance institutions, in accordance with Ordonnance No. 90/6 of 26 October 1990, provided that:

- 1) the commitment to resell the estate is made by the bank in a tender or separate instrument;
- 2) the actual resale takes place within 5 (five) years;
- 3) loan agreements to finance agropastoral and fisheries operations.
- 4) transfer or use of property which is subject to the value added tax.
- 5) Transfer or use of movable or immovable property which is subject to the Value Added Tax;
- 6) loans on collateral and on mortgage concluded with credit establishments, as well as the release of mortgages, sureties and guarantees thereto.
- 7) Instruments the registration of which is the responsibility of international Organizations except as otherwise provided for in the headquarters Agreement signed with a CEMAC State.

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) by generation of the provisions of Section 343 (2) and (3) the transfer of shares and stocks of companies registered in the National stock market;

- 5) current account contracts, including share holders 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.

C - Administrative evaluations

Section 546 bis.-(1) Notwithstanding 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.

(2) In case of 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.

CHAPTER II STAMP DUTY RATES

The rates of the various stamp duties as harmonized in the Community shall be fixed as follows:

DIVISION I **STAMP DUTY BASED ON PA- PER SIZE**

Section 547.- The rate of stamped paper and stamp duties based on paper size referred to in Sections 438 and 434 above shall be fixed as follows:

Description	Format	Rate
Register paper	(42 x 54)	1,500 francs
Normal size paper	(29.7 x 42)	1,000francs
Half of normal size paper	(21 x 29.7)	1,000 francs

The maximum and minimum rates provided for in Section 445 above shall be fixed at 1,500 and 500 francs respectively in Cameroon.

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: FCFA 75,000;
- issue of laissez-passer: 25,000francs.

2) Visas on foreign passports

Stamp duty on entry and exit visas on foreign passports shall be fixed as follows:

- entry visa 50,000 francs;
- simple return visa 50,000 francs.
- Visa for multiple entries and exits valid for:
 - 3 months 50,000 francs;
 - 6 months 100,000 francs;
 - 12 months 150,000 francs.

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

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 francs

2) Residence permits:

- residence permits issued to students:	30,000 francs
- residence permits issued to foreign workers under contract with the state or a local council and to unemployed spouses	60,000 francs
- residence permits issued to nationals of African countries and renewal thereof:.....	120,000 francs
- residence permits issued to nationals of non-African countries and renewal thereof:	250,000 francs.

3) Residence cards:

- 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	60,000 francs
- Residence cards issued to nationals of African countries:	250,000 francs
- Residence cards issued to nationals of non-African countries:	700,000 francs.

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 5,000 francs;

(b) Certificates of aptitude to drive certain automobiles in urban areas are subjects to a 5,000 francs 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 francs 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 licences) and transfers of such receipts.

However, as regards commercial vehicles, the rate shall be fixed at 1,000 francs 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 francs;
- IP 10,000 francs.

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 20,000 francs. 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) 25,000 francs
- Category B
(residents) 50,000 francs
- Category C
(non-residents) 80,000 francs

Game animals:

- Category A
(nationals) 35,000 francs
- Category B
(residents) 80,000 francs
- Category C
(non-residents) 100,000 francs

b) Sport hunting license for medium-sized game

- Category A
(nationals) 50,000 francs
- Category B
(residents) 120,000 francs
- Category C
(non-residents) 160,000 francs

c) Sport hunting license for big game

- Category A
(nationals) 100,000 francs
- Category B
(residents) 120,000 francs
- Category C
(non-residents) 250,000 francs

2) License to capture

a) License to capture non-protected animals for commercial purposes:

- Category A
(nationals) 1,000,000 francs
- Category B (residents)
1,500,000 francs

b) Scientific license to capture non-protected animals:

- Category A
(nationals) 1,00,000 francs
- Category B
(residents) 1,00,000 francs
- Category C
(non-residents) 1,00,000 francs

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 100,000 francs per quarter.

b) Collection tax for hides and carcasses

- Varan 1,000 francs/hide
- Python 5,000 francs/hide

c) Fixed tax for other products

..... 15,000 francs/hide

4) Scientific research license:

..... 100,000 francs

5) Game-farming and gameranching licenses:

..... 50,000 francs

6) Hunter guide license

a) Hunter guide license for assistant guides

- Category A
(nationals) 400,000 francs
- Category B (residents)
1,300,000 francs

b) Hunter guide license for assistant guides

- Category A
(nationals) 200,000 francs
- Category B
(residents) 600,000 francs

7) Photographic hunting license

- Amateur photographer
..... 50,000 frs
- Professional photographer
..... 100,000 frs
- Amateur film-maker 200,000 frs
- Professional film-maker
..... 500,000 frs

Section 555.- A stamp duty of 15,000 francs 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:

- 1,000 francs for each waybill issued for contracts pertaining to the transportation of goods within the national territory;

- 2,000 francs per waybill issued for international contracts pertaining to the transportation of goods.

Stamp duty on transport contracts shall be paid by the transporter exclusively at the Revenue office of his or her Taxation Centre.

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 1,000 francs.

CHAPTER III OBLIGATIONS AND PENALTIES

DIVISION I

TIME-LIMITS FOR REGISTRATION

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).

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 a fine of 20,000 francs 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.

DIVISION II **FUNERAL EXPENSES**

Section 559.- Funeral expenses may be deductible up to 500,000 francs, 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 francs 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 francs, 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 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 francs.

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 francs.

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 may be granted upon stamped application submitted by the taxpayer under the following conditions:

Total remission of penalties for delay shall be granted only following payment of the normal fees and where such delay is not more than one month.

The mitigation or partial remission of penalties, fines or damages shall be granted only following previous payment of the normal fees plus 10% increase on the penalties for delay, where such delay is more than one month.

The remission or mitigation of penalties delay shall be granted as follows:

- 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 automatic taxation 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.

**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.
- 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.

(2) 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 object 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 centre.

(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 prescrip-

tion, 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 AND TAXABLE ITEMS

Section 577.-(1) Property tax shall be levied annually on built-on and non-built-on estates found in Cameroon, in chief towns of administrative units.

Property tax shall also be levied on the above-mentioned estates where they are found in urban areas with such urban infrastructure and amenities as defined below.

Urban infrastructure and amenities shall be construed as tarred or earth road, water supply, electricity and/ or telephone networks.

(2) Property tax shall be levied on natural and legal persons who own built-on and non-built-on estates, including de facto owners.

(3) When a building is rented under an emphyteutic, building, or rehabilitation lease, or is the subject of an authorization of temporary occupation of the public domain which is taxable in the common law jurisdiction, the property tax shall be issued in the name of the emphyteutic construction or rehabilitation lessee, or authorization holder.

DIVISION II EXEMPTIONS

Section 578.- The following shall be exempted from property tax:

- property belonging to the State, regional and local authorities or public establishments which are

not of an industrial or commercial nature;

- property belonging to denominational, cultural or charity organizations recognized as being in the public interest, where such property is used for non-profit purposes;
- property belonging to public or private hospital and school establishments.
- property belonging to international organizations which have signed headquarters agreement with Cameroon;
- property belonging to diplomatic missions subject to reciprocity;
- land used for the exclusive purposes of farming, stock breeding and/or fishing shall also be exempted.
- To club, sports associations including landed properties deployed for sports activities.

DIVISION III PERSONS LIABLE

Section 579.-(1) Owners and de facto owners of built-on or nonbuilt-on estates shall be liable to property tax.

(2) Property tax shall be due on 1 January of the fiscal year of assessment. It shall be voluntarily settled no later than 15 March, on the declaration of the taxpayer or his trustee.

DIVISION IV
BASIS OF ASSESSMENT

I - BASIS OF ASSESSMENT

Section 580.-The basis of assessment of the property tax shall be determined by the value of lands and buildings as declared by the owner:

Failure to file returns or in the event of reduction, the administrative value of the building determined in accordance with the provisions of Section 546 (a) of this Code shall be used as the assessment basis.

DIVISION V
ASSESSMENT PROCEDURE

II - TAX RATE

Section 581.-(1) The property tax rate shall be 0.1%

(2) *Deleted.*

DIVISION VI
PLACE OF ASSESSMENT

Section 582.-(1) Property tax returns shall be filed and the tax paid in the taxation service of the place where the property is located.

However, companies under a Specialized Management Unit shall pay their taxes and duties exclusively by bank transfer or certified cheque.

DIVISION VII
SPECIAL OBLIGATIONS

Section 583.-(1) Instruments pertaining to property mortgages, transfer of ownership or possession may be regis-

tered only upon presentation of evidence that the property tax was duly paid.

Any entry into the land conservation register shall be conditioned upon presentation of a receipt showing payment of property tax or presentation of a tax certificate issued by the relevant taxation service.

(2) Persons liable to property tax as well as those exempted shall lodge with the taxation service with jurisdiction a copy of title deeds, building permits, building cost estimates and any other similar documents, within one month of the date of issue thereof.

The services issuing the documents referred to above shall also forward a copy thereof to the relevant taxation service, within three months of the issue thereof.

Where such documents are issued in the name of a group, the co-partners shall be jointly and severally liable for payment of the tax assessed in the name of their agent. The same procedure shall apply in case of jointly owned buildings.

DIVISION VIII
MISCELLANEOUS PROVISIONS

Section 584.- Procedures for assessment, control, collection, disputes as well as general obligations and sanctions applicable in matters of property tax shall be those provided for in the *Manual of Tax Procedures*.

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 at the following rates on each original in the case of instruments under private seal, and on the original, in the case of notarial instruments, according to maximum value stated in the instrument:

- 10,000 francs for values between 0 and 1,000,000 francs;
- 25,000 francs for values between 1,000,001 and 20,000,000 francs;
- 50,000 francs for values between 20,000,001 and 50,000,000 francs;
- 100,000 francs for values between 50,000,001 and 100,000,000 francs;
- 200,000 francs for values between 100,000,001 and 500,000,000 francs;
- 300,000 francs for values over 500,000,000 francs.

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.- Stamp duty on advertising shall be charged on:

- posters;
- leaflets and handbills;
- advertising hoardings;
- press, radio, cinema and television advertising, and advertising vans with loudspeakers;
- Any other tangible or intangible medium.

Section 590.- Posters shall mean pictures or words for the purpose of advertising on paper, whether protected or unprotected, and placed, during a period of six months, in a public place or place open to the public, whether for payment or otherwise, or visible from a public place or on vehicles, and not being neon signs.

Leaflets and handbills shall mean literature distributed free of charge to the public in public places or in places open to the public whether for payment or otherwise, and not purely technical in character.

Advertising hoardings shall mean pictures and words for the purpose of advertising whether luminous or not, other than posters, put up in a public place or place open to the public, whether for payment or otherwise, or visible from a public place, or on vehicles and not being neon signs.

DIVISION II RATES

Section 591.-(1) Stamp duty shall be paid at the rate of 3% of the cost of advertising for each medium, regardless of whether it is printed locally or imported, excluding advertising by vans.

(2) For advertising by vans, the rate shall be fixed at 30,000 frs per vehicle with a loudspeaker per month. For vehicles without loudspeakers, the rate shall be 20,000 frs per vehicles per month.

(3) For advertising on cigarettes and alcoholic beverages, as defined in Section 182 et seq of this Code, the rate of stamp duty shall be 10%.

(4) Luminous signs and plaques placed on the façades of commercial and industrial establishments to indicate their locations shall be exempted from stamp duty on advertising.

DIVISION III COLLECTION

Section 592.- Stamp duty on advertising shall be paid as follows:

1) posters, leaflets, handbills

Stamp duty on advertising made through these media shall be deducted at source by enterprises under the specialized management units and paid into their centres of attachment under the same conditions as other taxes, duties or charges.

Other advertisers shall declare and pay stamp duties on advertising to an

advertising agency. The latter shall pay over the amount collected within fifteen (15) days of the end of the month in which such advertisement taxes are collected,

a) Posters, leaflets and handbills printed in Cameroon

Printers established in Cameroon shall keep a register countersigned and initialed by the Registration Services in which they shall record all posters, leaflets and handbills which they print.

In the first month of each quarter, they shall file a declaration and pay over the amount of duty collected in the preceding quarter.

Posters, leaflets and handbills shall bear the printer's name and their number in the printing register carrying the duty paid.

b) Posters, leaflets and handbills printed outside Cameroon

Before the importation of such documents, the users shall declare their nature and quantity to the Tax Collection Office of their area of residence or head office.

The payment shall be made within the month of entry of the posters, leaflets and handbills into Cameroon at the Tax Collection Office where the declaration was made before importation. These documents shall not be used until the stamp duty is paid.

2) Advertising hoardings

Firms and individuals under the specialized management units using advertising hoardings shall make a declaration and payment of stamp duties

at their centre of attachment under the same conditions as other taxes, duties and charges.

Apart from the firms mentioned above, other advertisers shall declare and pay to an advertising agency at the time as the advertising dues, the required amount of stamp duty for the advertising agency to pay same over within fifteen (15) days of the month of collection.

Such a declaration shall indicate:

- a) the purpose of the advertising;
- b) the full name, profession or trade name, the residence or head office of the persons or bodies in whose interest the advertisement is being made and, possibly, the producer of the advertising;
- c) the exact site of the hoarding.

Duties shall be declared and paid in the first month following the end of the quarter in which they were established, and subsequently in the month following the end of each quarter.

3) Press advertising

a) Newspapers printed in Cameroon:

Publishers of newspapers printed in Cameroon shall collect the appropriate stamp duty at the same time as payment for the advertisement, and shall declare and pay over to their tax Centre of attachment, at the same time as the voluntary payment tax, the amount collected in the preceding month.

For enterprises under the specialized management units, the stamp duty shall be deducted at source at the time of printing the advertisement. Duties thus collected shall be declared and

paid over to the centre of attachment under the same conditions as voluntary payment taxes.

The declaration shall specify

- the purpose of the advertisement;
- the full name, address and location of the beneficiary of the advertisement;
- the unit or fixed cost and the number of advertisements printed;
- the date or period of advertising;
- the existence or absence of a contract between the parties, which shall, where possible, be attached to the declaration.

Publishers shall keep a register countersigned and initialed by the Registration Service in which shall be entered in chronological order all advertisement made, their cost and the amount of stamp duty collected and references of receipts showing that such duty has been paid over.

The above provisions shall be applicable notwithstanding the payment of fees to an advertising agency.

c) Newspapers published outside Cameroon but distributed in Cameroon

The publication of an advertisement in a newspaper printed outside Cameroon but distributed in Cameroon shall entail the declaration and payment of stamp duty on advertising at the time of payment of the cost of this advertisement.

4) Radio and television advertising

Radio and television stations shall collect the appropriate stamp duty when receiving payment for adver-

tisements. They shall pay over to the Tax centre to which they are attached, at the same time as the voluntary payment tax, the amount collected during the preceding month.

For enterprises under the specialized management units, stamp duty on advertising shall be deducted at source at the time of printing the advertisement; Duties thus deducted shall be declared and paid at the relevant centre under the same conditions as other taxes, duties and charges.

The declaration shall specify:

- the purpose of the advertisement;
- the full name, address and location of the beneficiary of the advertisement;
- the unit or fixed cost and the number of times it was broadcast;
- the duration, date and period of advertising.

Radio and television stations shall keep a register countersigned and initialed by the Registration Service for the purpose of controlling advertisements. The register shall show, for each advertisement, the amount of stamp duty collected and references of the payment receipt.

5) Cinema advertising

Cinema operators shall collect the appropriate stamp duty when receiving payment for advertising.

They shall declare and pay same to the Tax Centre to which they are attached at the same time as the voluntary payment tax, the amount collected during the preceding month

For companies falling specialized

management units, stamp duty on advertising shall be deducted at source at the time insertion. The stamp duty deducted shall be declared and paid to the attachment centre under the same conditions as for other taxes, duties and levies.

- the purpose of the advertisement;
- the full name, address and location of the beneficiary of the advertisement;
- the unit or fixed cost and the number of projections;
- the duration, date or period of projection of the advertisement;
- the existence of any contract between the parties.

Cinema operators shall keep a register, countersigned and initialed by the Registration Service, showing the various projections made, their cost, the amount of stamp duty collected and references of their payment.

6) Advertising using vehicles equipped with a public address (PA) System or not

Before starting to use an advertising van with loudspeakers, the proprietor shall declare it at the Registration Service, which shall issue him a receipt to be presented at each inspection by the Registration Service. The declaration shall specify:

- the full name, address and location of the proprietor of the van;
- the characteristics of the van and the date it was put on the road in Cameroon;
- its registration number;

- the date of initial use as advertising van with loudspeakers.

Stamp duty on advertising due for a van with loudspeakers whether attached to its body or not shall be paid upon the declaration of its proprietor:

- within the month following the quarter during which the van was initially used for advertising; and
- within the first month of each quarter for subsequent payments.

The declaration shall be made at the Tax Collection Office of the proprietor's residence or head office.

7) Advertising using intangible devices

For the collection of stamp duty on advertising using intangible devices, advertisers shall submit their declarations on a monthly basis to their attachment taxation centres.

DIVISION IV **PENALTIES**

Section 593.-(1) Any infringement of the provisions concerning the stamp duty on advertising shall be subject to an additional duty with a minimum equal to the amount laid down for the medium concerned.

2) Complete absence of the register or receipt provided for under

Section 583 shall be subject to a fine of 50,000 francs plus an additional fine of 5,000 francs a day for each day of delay until the register or receipt is produced.

3) The registers shall be submitted for endorsement during the quarter

following that in which the advertising was made, under pain of a fine of 5,000 francs for each endorsement omitted.

4) Each item in the register shall show the payment references for the stamp duty on advertising, under pain of a fine of 2,000 francs for each reference omitted.

Each poster, leaflet or handbill shall bear the printer's name and the serial number of the advertisement in the printing register which carries the duty paid, under pain of a fine of 2,000 francs for each reference omitted and for each poster, leaflet or handbill.

- Vehicles used for the maintenance of law and order with registration plates specific to the Armed

5) Posters, leaflets or handbills which do not comply with the Code shall be seized on a report on the offence and destroyed within three months following such seizure in the presence of a commission whose composition and functioning shall be fixed by regulation.

6) Any person caught in the act of putting up a poster in a public place or in a place open to the public shall be solely liable to pay the required duties and fines.

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;
- 1/2 test vehicles with WG registration;
- transit vehicles with WT registration;

Forces, Gendarmerie and the National Security;

- Ambulances;
- special vehicles with CE registration;
- special vehicles used by the disabled and handicapped;
- 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.- Stamp duty on motor vehicles shall be fixed as follows:

- *Motorcycles*2,000 francs;
- *Three-wheeled motorcycles*.....5,000 francs
- *Vehicles of 2 to 7 HP*15,000 francs;
- *Vehicles of 8 to 14 HP*.....25,000 francs;
- *Vehicles of 15 to 20 HP*..... 50,000 francs;
- *Vehicles of more than 20 HP* 100,000 francs;

Section 598(new).- The stamp duty on motor vehicles shall be collected by insurance companies at the time of subscription of civil liability insurance policy.

Insurance companies shall collect the stamp duty on motor vehicles referred to in Section 597 above from the very first payment of the insurance premium during the year, be it partial or total payment.

The stamp duty on motor vehicles collected shall be paid back to the Revenue Collection Officer of the Taxation Centre having jurisdiction over the insurance company no later than the 15th day of the month following the month during which it is paid by the insured person.

Section 599(new).- 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(new).- The new rules for the collection of the stamp duty on motor vehicles shall enter into force as from 1 January 2017.

Section 601 (new).-(1) Failure to produce justification for payment of the stamp duty on motor vehicles at

the request of authorized control officials shall constitute a second class offence, punishable under Section 362 (b) of the Penal Code.

(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 (2) above, the owner of the vehicle shall also be liable for additional stamp duty as penalty over and above the duty payable.

(3) 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.

Section 602(new).- 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.-Legal proceedings shall be instituted in compliance with section 426 above.

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; or,
 - 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 10,000 francs per person per international flight and at 1,000 francs per person per domestic flight.

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 bis (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.- An axle tax on motor vehicles with a payload of at least 3 tonnes in use on Cameroonian territory is hereby instituted.

Section 610.- All taxable natural persons and corporate bodies that are owners of motor vehicles, except the State and Councils, shall be liable to axle tax.

Section 611.- The rate of the axle tax shall be graduated and fixed as follows, per vehicle and per quarter:

- 9,000 francs for vehicles with a payload of 3 or more tonnes, but below 5 tonnes;
- 18,750 francs for vehicles with a payload of 5 or more tonnes, but below 16 tonnes;

- 33,750 francs for vehicles with a payload of 16 or more tonnes, but below 20 tonnes;
- 56,250 francs for vehicles with a payload of 20 or more tonnes but below 30 tonnes;
- 75,000 francs for vehicles with a payload of 30 or more tonnes;
- 112,500 francs for vehicles used in the transportation of undressed and sawn timber.

Vehicles registered abroad shall be subject to a flat rate tax of 15,000 francs for a period of one month.

Section 612.- The tax shall be collected on the basis of the returns filed by carriers during the 15 (fifteen) working days following the end of each quarter.

With regard to vehicles registered in Cameroon, the returns shall be received at the Tax Collection Office of the owner's permanent address or main establishment.

For vehicles registered abroad, the returns shall be received and payment made within a maximum period of five days following entry into Cameroonian territory, at the Tax Collection Office nearest to the point of entry.

Section 613.- Late filing of returns and payment of the axle tax shall attract a penalty equivalent to an additional tax.

Non-submission of returns established by report shall attract a fine of 10,000 francs per quarter and a penalty of 500 francs per day until the said returns are filed. Such fines and penalties shall be cumulative with the penalty for lateness.

Apart from officers of the Department of Taxation who are duly commissioned to that effect, all officers empowered to book for road traffic offences shall be specially responsible for establishing the above offences.

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*

BOOK TWO
MANUAL OF TAX PROCEDURES

PART I
BASIS OF ASSESSMENT
ONE CHAPTER
OBLIGATIONS OF TAXPAYERS

DIVISION I
OBLIGATION 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 installment thereof, by virtue of the provision of the General Tax Code, must file an application for registration with the competent tax authority of his area, within 15(fifteen) working days following the start of his activities, and attach to such application a site plan.

A single identification number shall be attributed on a permanent basis, by the Directorate General of Taxation upon the effective location of the taxpayer.

After the completion of the registration procedure, the Tax authority shall issue a taxpayer's card free of charge to the taxpayer. The validity of the taxpayer's card shall be 10 (ten) years.

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 fifteen (15) clear days from the declaration.

This obligation to report shall also apply to public and private sector salaried employees, foundations, associations, non-for-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 were necessary, for any other material or intangible transaction.

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 been 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.- Any natural person or corporate body liable as a statutory taxpayer to payment of a tax, duty or levy or an installment thereof or

designated to effect deduction at source by virtue of laws and regulations shall be bound to file returns using official forms supplied by Cameroonian tax authorities, along with mandatory annex documents, within the deadlines prescribed by law.

Returns may be filed electronically. In this case, the generated tax assessment notice shall necessarily be presented at the bank as supporting document for the payment of the corresponding taxes and duties.

Filing of returns can be done by electronically according to the dispositions of a legal instrument.

However, enterprises under the jurisdiction of a specialized management unit shall be bound to file their tax return and statistics on hard and soft copy format.

Section M.2(a).- (1) Notwithstanding the provisions relating to the system of declaration, the Tax Administration may send a pre-completed return of collected revenue or any other taxable item, with the tax amount owed, to any natural or legal person paying taxes or duties as per laws and regulations in force.

(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) day 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 in time shall be tantamount to accepting the terms thereof.

SUBDIVISION II **NOTICE TO FILE RETURN**

Section M.3.- 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 15 (fifteen) days within which 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.

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 MI 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 organisation special ledger as well as the data-processing procedures.

DIVISION III

OBLIGATION TO PAY TAXES

Section M.7.- Any person liable to a tax or levy, or an installment thereof, as well as to payment of taxes collected by deductions 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-limit fixed by law.

The aforementioned taxes and duties shall be paid as follows:

- In cash or through electronic means, for sums less than CFAF one hundred thousand (100,000);
- Through certified cheque, bank transfer or electronic means, for sums not less than CFAF one hundred thousand (100,000);
- By bank transfer or electronic means for companies under a specialized management unit, notably the Large Tax Department, Taxation Centers for Medium-Sized Enterprises and specialized taxation centers.

Section M7 (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 sources or for which the taxpayer is only legally liable be subject to clearing of any kind.

(3) No person may refuse to pay a tax, duty or levy, or request for an exemption there from on the basis of the destination or allocation of the proceeds of such tax, duty or levy.

Section M. 7(seq).- 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) Receipts shall be issued for all payments. Such receipts shall be exempted from stamp duty. A duplicate thereof may be issued to the taxpayer who so requests;

(2) Every tax, duty, fee or levy payment made by bank transfer must bear clear indications the taxpayer's identity and type of tax and fee for which payment is made;

(3) The fees payable to financial institutions for the transfer of taxes and duties including the issuance of a transfer certificate shall necessarily be within the range of CFAF 500 to 10,000. Such costs shall, under no circumstance, exceed an amount equivalent to 10% of the taxes, duties and charges paid.

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 for several taxes, duties fees or levies, the transfer certificate must be accompanied by a summary statement of the payments by 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.

Section M8 bis.- (1) Corporate billing shall be monitored electronically by the tax authority under conditions laid down by order of the Minister in charge of finance.

(2) Irrespective of their status or nature, companies shall be bound to comply with the electronic monitoring system referred to in paragraph (1) above.

Section M.8.- (seq).- 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.

**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.

**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 regularise 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 OF EXERCISING
THE RIGHT TO CONTROL**

**SUBDIVISION I
SPOT CHECKS**

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.

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) The tax authority shall forward to the taxpayer by registered mail or direct delivery with acknowledgement of receipt or mail delivery register, at least 15 (fifteen) days prior to the date fixed for its first operation, an audit notice informing him of the possibility of hiring any consultant of his choice to assist him. This must be indicated in the audit notice under pain of such notice being null and void.

(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. 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 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 the 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, insofar as such deficit realised 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, dues 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 accounts auditing or adjustment procedure requires special technical knowledge, the tax authority may hire the consultants appearing on a list drawn up by Order of the Minister in charge of finance.

Such consultants shall be professionally liable in case of damage resulting from their work.

(2)The tax authority may also enlist the services of international experts within the framework of agreements to which Cameroon is party.

Section M. 19.- 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 this 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.

Section M. 19 a.-(1) Where in the course of an accounts auditing, the administration has evidence to presume that the undertaking has indirectly transferred profit, as defined in the provisions of Section 19 of the present Code, the latter could be requested to provide information and documents stipulating:

- the nature of relations falling within the provisions of Section 19 above, between the said undertaking and one or more undertakings, companies or groups established out of Cameroon;
- the pricing method for industrial, commercial or financial operations that it uses with the undertakings, companies or groups outlined in (1) and the elements that justify this method as well as the agreed considerations;
- the activities carried out by the undertakings, companies or groups outlined in (1), in relation to the questions referred to in (2);
- tax treatment relating to the operations outlined in (2), and carried out by the undertakings that it runs out of Cameroon or by the companies outlined in (1).

The above requests must be precise and clearly indicate according to nature of operations or products:

- the country or territory concerned;

- the undertaking, company or group referred to;
- the amounts considered.

The request must also state the response deadline granted the undertaking that is being assessed.

The said deadline, which shall not be less than a month, may be extended, upon a motivated application, without exceeding in all two months.

Where the administration deems the response insufficient, it shall issue the enterprise a formal notice to complete its response within 30 (thirty) days. In that case, it shall state the additional elements still lacking in the response.

The notice must state the sanctions applicable, in case of failure to respond, in particular to the reassessments, on the basis of elements available to the administration.

In this case the enterprise shall bear the burden of proof.

(2) However, legal persons established in Cameroon and falling within the competence of the structure in charge of large enterprises must, at the start of the accounts audit, automatically produce the documents referred to in sub-section (1) above where:

- more than 25% of their capital or voting rights is held directly or indirectly by an entity established or incorporated out of Cameroon;
- they themselves directly or indirectly hold more than 25% of a legal entity domiciled out of Cameroon.

Section M. 20.- Civil and military authorities shall lend assistance and support to tax officials in the dis-

charge of their duties, wherever required to do so.

Section M. 20 (a).- 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.

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).- During tax control operations, the establishment of failure to produce supporting documents on the report during a spot intervention shall lead to absolute inadmissibility of the said documents at the litigation phase.

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, save 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 case of adjustments made within the framework of a limited audit or a spot check or control of documents, the administration shall serve the taxpayer an adjustment notice stating the reasons and amounts concerned, and giving the taxpayer a response deadline of 30 (thirty) working days, with effect from the reception of the notice.

Section M. 26.- Where the remarks made by the taxpayer within the time-limit shall be deemed wellfounded 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. 117 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 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 preceding 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. 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 of 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.

Section M. 33(a).- 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.

SUBDIVISION IV
**LIMITS OF THE RIGHT TO AU-
DIT**

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.

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 6 (six) months in case of control of transfer prices or in case of implementation of information exchange procedure provided for under tax agreements.

(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.

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.

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, 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.

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, stock-brokers, 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, 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, sub-

mitted 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.

(2) Only information concerning the health status of patients or national

security classified as “defence 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 Supreme 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.

CHAPTER III
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.

Section M. 50 (seq).-(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.

**PART III
TAX COLLECTION**

**CHAPTER I
METHODS OF COLLECTION**

**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) Tax Revenue Collectors is a public accountant under oath.

Section M. 52.- The competent Tax Revenue Collectors 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.

**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, dues and levies.

(2) The notice of issue for collection shall be drawn up and notified to the taxpayer where written declaration is not accompanied by the means of payment or following a non-market value return or the former procedure document in the case of a control.

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 15 (fifteen) days to pay his debt.

(3) *Deleted*

Sectionl M. 54.- The Tax Revenue Collector shall issue a receipt upon payment of the duties and taxes.

**CHAPTER II
PROCEEDINGS**

**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.

**A - 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.

B - 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.

C - 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 CFAF 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.

II - SPECIAL LEGAL PROCEEDINGS

A - Notice to third-party holders

Section M. 71.- Trustees, holders or debtors of sums belonging or due to persons liable to tax, penalties as well as incidental costs whose collection as guaranteed by the preferential rights of the Treasury shall be bound, upon a request in that regard made to them in the form of a notice to third-party holder, notified by the collector of taxes to pay in lieu of the liable persons concerned, the funds in their keeping or which they owe, up to the amount due from such liable persons.

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.

B - 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.

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.

C - Freezing of bank accounts

Section M. 76.- Regional Tax Revenue Collectors and Special Management Unit Tax Revenue Collectors may freeze the taxpayers bank accounts without prejudice to the penalties provided for elsewhere, in case of non-settlement, after notification, of the sums duly assessed.

D - 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.

E - Impoundment of a vehicle

Section M.78.-(1) The non-production of a valid sector vehicle license, the transporters' business license, the motor vehicle stamp, the

axle tax to the authority in charge of controlling them, notably officers of the Department of Taxation specially empowered to record this offence shall 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.

F - Exclusion from public contracts

Section M. 79.- Failure to pay duties and taxes following a notice shall entail a temporary ban from submitting a tender for public contracts from announcing an intention of buying a public corporation under privatisation or from carrying out stock market transactions and to a permanent ban in case of a further offence.

The Director General of Taxation shall each quarter draw up 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. 117 et seq. of this Manual.

CHAPTER III GUARANTEES OF COLLECTION

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.

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.

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 enterprises under Cameroonian law are transferred abroad, the Cameroonian law enterprise and the transferor shall be jointly and severally liable to payment of the sums due under such transfer.

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 manoeuvres 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.

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.- 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.

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.

Section M. 94(a).- (1) Any natural person or corporate body liable to a tax, duty or charge, in good standing with the payment of such taxes, duties and charges may, upon request, be issued a debt clearance certificate by the taxation authority. They shall certify that the tax payer does not owe any tax as at the date of issue.

(2) Notwithstanding the provisions of Section M94(a)(1) above, the debt clearance certificate may also be issued to a taxpayer who owes a tax debt, where the latter is under a suspension or moratorium of payment duly granted by the competent authorities. In such cases, the tax debt and the nature of the suspensive instrument shall be indicated on the debt clearance certificate.

(3) The debt clearance certificate shall be issued free of charge by the head of the taxation centre where the taxpayer is registered, after verification of the tax situation of the taxpayer with regard to all the taxes and duties payable by the latter. A computerized debt clearance certificate may also be issued as appropriate.

The debt clearance 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 debt clearance certificate. Failure to produce this document shall lead to inadmissibility of the request.

(2) The debt clearance 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.

PART IV
PENALTIES
CHAPTER I
FISCAL PENALTIES

I - ASSESSMENT PENALTIES

A - 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.- 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.

B - Failure to make a return

Section M.97.- 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.

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 of a return showing nil tax or a credit following an official warning, shall give rise to a fix fine of CFAF 1,000, 000 (one million).

(2) Failure, after an official warning, to file within the set deadlines the returns provided for Sections 18(3), 18 (bis), 101,102,104 (b) shall give rise to a fine of CFAF 1,000,000 (one million) per month.

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) FCFA.

(2) Whoever engages in an economic activity without prior registration shall be liable to a fine of one hundred thousands (100,000) FCFA per month.

(3) Whoever uses a single identification number fraudulently shall be liable to a fine of one million (1,000,000) FCFA 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) FCFA.

C - 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.

D - 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.

II - SPECIAL PENALTIES

Section M. 103.- In respect of VAT, failure to file a return giving rise to arbitrary assessment shall entail the loss of the right to deduction and to VAT credit relating to a previous period.

Section M.104.- A fixed fine that may go up to 5,000,000 (five million) francs shall be applied to any person who gives false information or attempts to avoid or object to the right to information or notice to third-party holder. A fine of 100,000 (one hundred thousand) francs per day of delay beyond the time-limits indicated in the application, shall be applicable to any attempt to postpone execution of the right to information.

The same fine, calculated as from the date of reception of the notice to third-party holder shall be applied in case of delaying tactics with intent to object to the execution of the notice.

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.

III - COLLECTION PENALTIES

A - Failure to pay or late payment

Section M. 106.- Late payment of tax shall entail application of an interest in arrears 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.

CHAPTER II PENALTIES

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 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 assault and battery, threats or concerted manoeuvres, organizes or attempts to organize collective rejection of taxes or incites the public to reject or delay the payment of taxes;
- produces fake documents or documents recognised 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.

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 judgement in a journal of legal notices. Publication expenses shall be borne by the convicted person.

III - LODGING OF PETITIONS

Section M. 112.- Under pain of inadmissibility, petitions for the enforcement of the penalties provided for in Section M.107 above, shall be lodged by the Minister in charge of Finance, upon the recommendation of the Tax Offence Commission, as a result of the records drawn up 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.

The Tax Offence Commission shall be an advisory body placed under the minister in charge of finance. The Commission shall consider any matter submitted to it by the said minister.

The organization and functioning of the Tax Offence Commission shall be laid down by regulations.

Section M. 113.- Petitions may be lodged without it being necessary to serve the taxpayer prior notice to regularise his situation.

Petition may be lodged right up to the end of the fourth year in which the offence was committed.

Statute limitation for lawsuit by the State shall be suspended for a period not exceeding 6 (six) months between the date of referral before the Tax Offence Commission and date at which the said Commission shall make its recommendations.

Section M. 114.- 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.

PART V
TAX DISPUTES
CHAPTER I
CONTENTIOUS JURISDICTION

**I - PRIOR REFERRAL
BEFORE THE TAX AUTHORITY**

A - General provisions

Section M.115.- 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.

B – Claims

Section M. 116 (new).- (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 of knowledge of the definite amount.

(2) The above-mentioned claim must, under pain of inadmissibility, fulfil the following conditions:

- be signed by the claimant or by the claimant’s representative;
- 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.

(3) The powers of tax authorities shall be based on the amount of claim as follows:

- Head of the Regional Taxation Centre with territorial jurisdiction, for claims lower than or equal to 50 (fifty) million CFA francs as principal;
- The Director responsible for managing “large Enterprises”, for claims not exceeding 100 (one hundred) million CFA francs as principal;
- The Director General of Taxation, for claims above the thresholds for regional centres and the department responsible for managing “Large Enterprises”

(4) The head of the Regional Taxation Centre, the Director responsible for managing “Large Enterprises” and the Director General of Taxation shall each respond to the taxpayer’s claim within a period of 30 (thirty) days.

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 after 30 (thirty) days, 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, fulfil 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.

Section M. 120.- The taxpayer shall have the possibility of hiring any consultant of his choice.

C - Respite of payment

Section M. 121.- The taxpayer who disputes the justification or the amount of tax levied on him may, if he had formally filed the claim under conditions laid down in Section M.116 above, obtain stay of payment of the disputed portion of the said taxes, on condition that he:

- expressly requests respite of payment in the complaint;
- states the amount or the basis of the tax relief requested;
- *Deleted.*

The reply with explanation shall be expressly notified to the taxpayer by the Tax authority.

Failure by the administration to respond after 15 (fifteen) days shall clearly imply acceptance of the respite of payment under the conditions provided for in this section.

The respite of payment shall cease having effect as from the date of notification of the decision of the taxation authority.

D - Decision of the tax authority

Section M. 122.- *Deleted.*

E - 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.

II - COMPROMISE

Section M. 125.- Once the proposal of the Director General of Taxation, the Minister in charge of finance may authorize, in case of compromise, 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.

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 bis.- 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 cal-

culatation during the processing of the request.

III - PROCEDURE BEFORE THE SUPREME COURT

A - Time-limit for filing a petition

Section M. 126.- In respect of direct taxes and value added tax or allied taxes, the decisions rendered by the Ministry in charge of finance on the taxpayer's complaint and which do not fully satisfy the complainant may be challenged before administrative courts within 60 (sixty) days from the day of reception of notification of the decision.

B - 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 authorised 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.

Section M. 129.- The petitioner seeking a stay of payment, before the administrative judge, of the payments already applied at the time of the complaint must expressly renew such request in his petition and pay an additional 10% of the impugned taxes.

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 defence 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.- In order to produce his report, the minister in charge of finance shall have a period of 3 (three) months, 2 (two) of which shall be used by the Director General of Taxation to study the file. This time limit may be extended by 2 (two) months in exceptional circumstances following an application giving reasons thereof.

The conclusions of the Minister in charge of finance shall be filed in the registry of the Administrative Court in 3 (three) copies, one of which shall be sent to the taxpayer, who; shall have a time-limit of 1 (one) month to make known his observations or indicate whether he intends to have an expert appraisal of the case.

Where the minister in charge of finance does not produce his reply within the above-mentioned period of 3 (three) months, he shall be deemed to have acquiesced to the facts laid out in the taxpayer's petition.

Where the taxpayer fails to make his observation to the tax authority's reply within the 1 (one) month granted him, he shall be deemed to have withdrawn his action.

C - 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.

D - 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.

CHAPTER II VOLUNTARY JURISDICTION

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;

- discharge from tax liability incumbent on certain persons in respect of the payment of taxes due by third parties.

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.- There shall be no remission or reduction in turnover tax or other taxes collected from third parties on behalf of the Treasury, as well as penalties arising from arbitrary assessment.

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.

II - TAXPAYERS' PETITIONS

A - Form of the Petition

Section M. 143.- Petitions seeking to obtain tax remission or reduction shall be addressed to the territorially competent head of the Tax collection office.

They must contain all information necessary for the identification of the tax in question and include a copy of the notice of issue for collection.

They shall not be liable to stamp duty.

B - Decision of the Tax Authority

Section M. 144.- After examination, the tax authority shall, in writing,

notify its decision for remission, reduction or rejection.

Section M. 145.- In case of remission or reduction, the decision shall be notified by:

- the Head of the Regional Tax Collection office within the limit of 30,000,000 (thirty million) francs for the principal taxes and levies and of 30,000,000 (thirty million) francs for penalties and additional charges;
- by the Director General of Taxation within the limit of 100,000,000 (one hundred million) francs for the principal taxes and levies and 100,000,000 (one hundred million) francs for penalties and additional charges;
- by the minister in charge of finance for principal taxes and levies of an amount exceeding 100,000,000 (one hundred million) francs as well as for penalties and additional charges of an amount exceeding 100,000,000 (one hundred million) francs.

However, where the applicant is not satisfied with the decision taken by the competent authority, he may appeal to a higher authority, up to the minister in charge of finance.

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 on local fiscal system lays down the taxes, levies and royalties collected for decentralized structures, hereinafter referred to as «regional and local authorities».

(2) Any revenue collected by State or competent taxation services of regional and local authorities for the latter shall be considered as local taxes. All revenue collected shall still be referred to as “local taxes”.

(3) The local fiscal system shall apply to councils, city councils, subdivisional councils, regions and to any other type of regional and local authority that may be set up by law.

(4) Unless otherwise provided for under specific provisions of this law, the fiscal procedures applicable to State levies and taxes shall be transferred with the necessary changes having been made for the tax base, issue, recovery, prosecution, control and litigation on taxes, levies and royalties due to councils and regions.

Section C. 2.- Local taxes shall include:

- Council taxes;
- Additional council tax on State taxes and levies;
- Council levies;
- Regional Taxes and Levies;
- Any other levy provided for by law.

Section C. 3.-(1) A regional or local authority may collect a tax, levy or royalty only if such a tax, levy or royalty has been created by law, voted by the legislative body and approved by the competent supervisory authority.

(2) The rates for the collection of the taxes and levies of regional and local authorities shall be fixed by the legislative body, in compliance with the bracket provided for by law.

Section C. 4.- (1) Regional and local authorities shall be responsible for the management of the taxes and levies devolved to them, subject to those managed by taxation services.

(2) Ten percent (10%) of the tax revenue collected by the tax authority on behalf of local authorities and public bodies shall be deducted as assessment and collection fees.

The share thus deducted shall provision earmarked accounts opened in treasury books and transferred to the authority.

Section C. 5.- For the harmonious development of all regional and local authorities and in accordance with the principle of solidarity, proceeds from certain local taxes and levies may be subjected to equalization following the criteria and conditions set forth under laws and regulations.

Section C. 6.-(1) The State shall ensure that annual proceeds from council taxes correspond to a proportional rate established as a ratio of its level of tax resources.

(2) In this respect, the State financial services involved in the fiscal management of regional and local authorities shall ensure, with the same efficiency as for State taxes, the recovery of local taxes that fall within their competence.

(3) Local taxes shall be issued and collected under the same conditions as those of the state, unless otherwise provided for under special provisions of this law.

(4) With regard to the collection of taxes and levies, regional and local authorities shall enjoy the privilege of the treasury.

PART II COUNCIL TAXES

Section C. 7.- The proceeds of council taxes collected by the State shall come from:

- business licenses;
- liquor licenses;
- discharge Tax;
- property tax on landed assets;

- gambling and entertainment levy;
- immovable property conveyance;
- automobile stamp duty;
- forest royalty.
- stamp duty on advertising;
- tourist tax.

CHAPTER I BUSINESS LICENCES

I - GENERAL PROVISIONS

Section C. 8.- Any natural person or corporate body of Cameroonian or foreign nationality operating in a council any economic, commercial or industrial activity or carrying out any other profession not included among the exemptions set forth in this law, shall be liable to the business licence.

Section C. 9.- The effective or habitual exercise of a profession for financial gain shall entail payment of the business licence.

Section C. 10.-(1) The business licence shall be assessed on the basis of the annual turnover declared by the taxpayer under the various categories as listed in Annex I.

(2) The activities listed in Annex II shall, as a matter of right, be liable to the business licence irrespective of their turnover. Such activities shall be taxed following the tax brackets provided in Annex I.

(3) Deleted

(4) For the sale of petroleum products by managers of petrol stations who are not owners of the goods, the basis of assessment of the business licence shall be the amount of the margin determined by marketers.

II - WAIVERS AND EXEMPTIONS WAIVERS

Section C. 11.- The following shall not be liable to the business licence :

1. the State, regional and local authorities, public establishments and government agencies, for cultural, educational, health, social, sport or tourist activities carried out by them regardless of their turnover tax situation;

2. hawkers, be they in the streets, public places or in flower or grocery markets;

3. street vendors of newspapers and periodicals, excluding any other ar-

ticles of stationery, and provided their activity has been duly declared in accordance with the law in force;

4. business associates in a partnership, in joint-stock, limited liability or incorporated companies;

5. song writers;

6. savings and insurance funds managed free of charge as well as mutual assistance schemes, provided they are duly authorized and function in accordance with their set objectives;

7. canteen managers, provided they do not sell alcoholic drinks to the public;

8. hospitals run by religious bodies or not-for-profit organizations;

9. Farmers, stock breeders and natural persons with a turnover of below 10,000,000 (ten million) FCFA, 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 rear or fatten.

10. company stores, farmers unions and consumer cooperatives, provided they possess no shops and confine themselves to grouping the orders of their members and distributing in their stores the commodities, produce or merchandise ordered;

11. private establishments for the reception and vocational training of poor children;

12. schools;

13. explorers and hunters;

14. fishermen and registered seamen personally involved in fishing and selling their own catch;

15. persons liable to the discharge tax;

16. canoe operators with the exception of those using a motor or steam vessel;

17. farmers selling firewood coming solely from clearing their farms for cultivation;

18. owners or leaseholders of salt marches;

19. landlords or tenants accidentally renting furnished parts of their personal houses, where such rental is not periodic in nature;

20. wage and salary earners in respect of their paid employment only;

21. rural development cooperative societies, agricultural mutual benefit and credit schemes operating in accordance with their set objectives;

22. cooperative societies and/or their unions as well as common initiative groups (CIGs) aimed at:

a) either carrying out or facilitating all operations for the production, conservation or sale of farm produce harvested exclusively from farms owned by members;

b) or providing their members with farm equipment, machines and instruments for their own use;

23. commercial and industrial travellers and representatives who may be working for one or more houses, whether paid by commission or fixed salary provided they have no trading character independent of their principals.

III - TEMPORARY EXEMPTION

Section C. 12.-(1) New enterprises shall be exempted from business licence contribution for a period of one (1) year.

(2) At their request, a business licence instrument labelled “**EX-EMPED**” shall be issued to new enterprises that benefit from exemption.

(3) For member companies of approved management centers, the period referred to in paragraph (1) above shall be extended by one year.

Section C. 13.-(1) The tax to be paid shall be calculated by applying a digressive rate to the turnover of the taxpayer for the last but one years.

(2) This rate shall be fixed by the regional or local authorities which are beneficiaries of the proceeds of the business license, within a duly determined range per turnover bracket.

(3) New enterprises shall be required to present a projected turnover to be regularized at the end of the period.

(4) Any taxpayer who makes a turnover above 2,000,000,000 francs provided that such reduction may not exceed 30 % of the turnover above 2,000,000,000 Francs.

(5) However, in case of inter-city passenger and goods carriers, the business license shall be assessed as follows:

a) For passenger carriers and per vehicle:

- a fixed tax equal to 27,500 FCFA;
- a variable tax equal to 1,250 FCFA per seat as from the eleventh seat.

b) For goods carriers and per vehicle:

- a fixed tax equal to 37,500 FCFA ;

- a variable tax equal to 2,500 FCFA per tonne of payload above three tonnes.

Section C. 13(new).-(1) The business license to be paid shall be calculated by applying a rate to the turnover of the last financial year ended, as defined below:

- 0.159% on the turnover of large enterprises, for a minimum contribution of CFAF 5 million and a maximum contribution of CFAF 2.5 billion;
- 0.283% on the turnover of medium-sized enterprises, for a minimum contribution of CFAF 141,500 and CFAF 4 500 000 maximum;
- 0.494% on the turnover of small-sized enterprises, for a minimum contribution of CFAF 50 000 and CFAF 140 000 maximum.

(2) The business license amount calculated as specified in Section C 13 (new)(1) above shall, in addition to the principal amount, include the local development tax, additional council tax for consular chambers and audiovisual tax. These taxes shall be allocated to each of the beneficiaries in accordance with the rates and procedures fixed by the instruments in force.

Section C. 14.-(1) One business license shall be required for each establishment. The following shall be considered as distinct establishment: buildings or definitely separate parts of buildings. Any person who sells merchandise or products through a vendor or causes workmen to work on his behalf on the pavement, or under

an awning or unclosed veranda of his business establishment shall also be liable to business licence for a separate establishment.

(2) Any person who accommodates as specified above a workman or vendor who cannot establish that he is personally in possession of a business licence shall be deemed to cause such person to sell or work on his behalf.

(3) Any building site or group of building sites opened in a Council and placed under the technical supervision of an employee shall also be liable to the business licence as an establishment.

(4) Any transactions effected by a business licence holder on behalf of a third party, either on consignment or under the control of this principal, whether the principal requires reports, minutes, special accounts or has such transactions supervised from time to time, shall also be liable to a separate business licence in the name of the principals.

(5) A husband and wife, whether they have separate estates or not shall be liable to one business licence only when carrying out the same activity in the same establishment.

(6) A manufacturer selling exclusively wholesale in separate premises, only products manufactured by him shall not be liable to the business licence for sales made in the said premises.

(7) Where more than one set of premises is used, the exemption shall apply solely to the premises nearest the factory.

(8) Concerning professional road carriers liable to assessment based on

actual earnings, each operator's business licence shall be calculated on the basis of this turnover.

IV - SPECIAL PROVISIONS

Section C. 15.- Business licences 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 evaluated accurately, such activity shall be deemed to be equal to ten times the recorded stock evaluated at its selling price. However, the Inspector or Controller shall be entitled to assess the business licence by comparing with a similar establishment.

(2) In no case shall the imports or exports affected by a bank, branch of a bank or any organization acting as a commission merchant or forwarding agent, exempt customers from payment of the import or export business licence.

(3) However, a trader whose transactions of this nature amount to less than ten million (10,000,000) francs a year shall not be considered an importer.

(4) For the purpose of the importers or exporters business licence, import and export turnover shall be aggregated.

(5) The business licence of a carrier shall not cover itinerant trading operations by the carrier, the driver and his mates, the ship owner, the master or crew members.

(6) Shipping companies and airlines whose vessels or aircraft make calls at Cameroon, ports or airports shall only be liable to the business licence where they have an establishment there.

(7) Insurance companies which are represented in Cameroon without having any establishment there shall be liable to the business licence only at the registered office or principal establishment of the insurance agent representing them.

V - PERSONAL CHARACTER OF THE BUSINESS LICENCE

Section C. 16.- The business licence shall be personal and may be used only by the person to whom it is issued.

Section C. 17.- Joint stock companies and limited liability companies, whose activity is liable to the business licence, shall be taxed under the name of the enterprise.

VI - ANNUAL NATURE OF THE BUSINESS LICENCE

Section C. 18.- The Business licences shall be due for the full year by any person engaged in a taxable activity as at 1 January.

Section C. 19.-(1) Persons who start up an activity subject to the business licence in the course of the year shall be liable to this tax only as from the first days of the month in which they commenced this activity, unless where, by its nature, the said activity cannot be undertaken throughout the year. In such a case, the business licence shall be due for the whole year irrespective of when the business is started.

(2) The turnover to be taken into account for assessing the business licence shall be:

- for new activities, the turnover declared on the first day of the start of the activity ;
- for activities et least one year old, the turnover realized during the previous financial year.

Section C. 20.- 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 of the current month. Discharge from the balance shall be granted on the application of the person liable within three months following the event.

VII - OBLIGATIONS OF PERSONS LIABLE

Section C. 21.-(1) Persons undertaking an activity liable to the business licence, shall be required to file in written returns thereof to the Taxation Center with jurisdiction within 15 (fifteen) days following the start of the business.

(2) The said declaration shall provide the following information:

- full name or business name;
- date of birth or incorporation;
- place of birth or registered office;
- full name (s) and address of the father or manager;
- full name (s) and address of the mother;
- nationality;
- number in trade register;
- enterprise registration number;
- site references (of the business registered office and respective establishments by towns, neighbourhoods, streets, door number);

- post office box number;
- telephone number and, where necessary, the email address;
- type of activity;
- amount of turnover;
- reference of the last tax return or registration of the lease contract;
- any other information necessary for assessing the business licence certificate.

(3) A declaration filled on the same standard declaration form shall be addressed to the Taxation Centre in case, either of the payment of the annual or quarterly business licence or stoppage or cessation of activities.

(4) Every business licence shall be required to produce, at the request of the taxation authority, a valid debt clearance certificate.

(5) Deleted.

Section C. 22.- Any taxpayer who loses his business licence certificate may be issued a duplicate by the territorially competent chief of taxation centre. The duplicate, issued on a special form, shall bear references of the payment of the said business licence.

VIII - ISSUANCE AND OVER-PAYMENT OF THE BUSINESS LICENCE

Section C. 23.- (1) Taxpayers subject to the business licence 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 licence;

- within 2 (two) months following the expiry of the temporary exemption.

- Subject to the provisions relating to tax disputes, the renewal of the business licence shall be contingent on the presentation of a tax clearance certificate by the taxpayer.

(2) Deleted.

Section C. 24.- (1) The business tax shall be declared and calculated by the taxpayer on a form provided by the government service or directly online via the e-filing application.

(2) It shall be paid using an assessment bulletin or a tax notice.

(3) Deleted.

Section C. 25.- Deleted.

Section C. 26.- (1) Enterprises falling within the competence of specialized management units shall pay the business licence through bank transfer in the account of the Collector of Taxes with jurisdiction.

(2) On their part, the payee accountants shall, open seeing the tax certificate issued by the authorizing officer, issue a receipt of payment to the enterprises.

(3) The councils and beneficiary bodies shall at the same time forward to the above-mentioned structure a statement of effective transfer of paid business licence revenue with the reference of the transfer orders received and receipt of payment issued.

(4) Deleted.

Section C. 27.- Total or partial omissions detected in assessing the business licence, as well as errors made in

determining tax base or in applying the rate may be corrected by the taxation Service up to the end of the financial year following the year of assessment.

Section C. 28.- In each Taxation Centre and by regional and local authority or beneficiary body, in accordance with the provisions of the Fiscal Procedure Book of the General Tax Code, shall be kept:

- a ledger-journal of assessments and collections;
- a record of daily reconciling of taxes and levies collected for the various beneficiaries;
- a control register that helps to identify and get back to taxpayers who might not have paid their due.

IX - PENALTIES

Section C. 29.- Any taxpayer who fails to pay his business licence within the prescribed time-limit or who fails to furnish the information required to assess the business licence within the same time-limit shall be liable to a penalty of from 10% to 30% of the taxes due per month of lateness.

Section C. 30.- (1) Any taxpayer engaged in an activity liable to the business licence, who fails to pay the relevant taxes, shall be automatically assessed for the whole year and the tax-payable shall be increased by an addi-

tional charge of 50% to 100% depending on whether his bona fide is established or not.

(2) In the event of the illegal exercise of an activity or the exercise of a prohibited activity, a report shall be drawn up by any functionary of the Taxation Service with the rank of at least a controller or by any sworn-in law enforcement officer, and forwarded to the appropriate quarters.

(3) For an illegal or prohibited activity, the normal business licence tax shall be increased by 100% but shall not give rise to issuance of a business licence.

Section C. 31.-(1) Deleted.

(2) Failure to pay the outstanding sums of business licence within the time-limit provided shall lead to the automatic and immediate sealing of the establishment (s), without prejudice to the penalties provided for elsewhere.

Section C. 32.- Failure to present the transport business licence to the authority in charge of control shall lead to the impounding of the vehicle concerned.

**ANNEX I: TABLE OF ACTIVITIES AUTOMATICALLY LIABLE TO
BUSINESS LICENSE TAX**

1 Buyers and non producers of gold and other precious stones;
2 Property managers;
3 Business Agencies;
4 Telecommunication agencies;
5 Bank agencies or financial institutions;
6 Insurance agencies or reinsurance company;
7 Airline agencies;
8 Maritime agencies or companies;
9 Agency for the distribution or marketing of water;
10 Agency for the distribution or marketing of energy;
11 Advertising agencies;
12 Survey agencies;
13 Travelling agency;
14 Real Estate agencies;
15 Periodic bank agency or financial institution;
16 Recovery agents;
17 Suppliers and producers of ships;
18 Architectural, engineering or consulting services;
19 Mechanical grinding workshop, repair, rectification, assembly or industrial maintenance;
20 Lawyers;
21 Bank or financial institution;
22 Bar-dancing;
23 Jewelry;
24 Industrial butchers with refrigerators;
25 Bakeries using mechanical processes;
26 Brasseur;
27 Brocante (second hand goods);
28 Physician, surgeon or dentist;
29 Primary product collectors;
30 Stock damage investigation agents;
31 Auditors;
32 Commissioners of goods;
33 Auctioneers;
34 Customs agent;
35 Insurance Company and reinsurance;
36 Air Navigation Company;
37 Maritime companies;
38 Warehouse dealers;
39 Tax advisers;
40 Brokers;
41 Retailers of alcohol;
42 Retailers of soft drinks;
43 Decorators;
44 Designers;
45 Building contractors or public works;
46 Cleaning contractors, pest or emptying septic tanks, etc.;
47 Funeral house services;
48 Entrepreneurs promoting advertisement in the press, radio or TV;
49 Rescue teams in the river;
50 Entrepreneur of river transport;

51 Land Transport contractors;
52 Entrepreneur of aerial activities;
53 Chartered Accountants;
54 Court experts;
55 Technical experts;
56 Refrigerated warehouse operators;
57 Operator of an office facility;
58 Operator of a facility for the treatment, development, bottling and packaging of drinks;
59 Operator of a telecommunication system;
60 Operator of a sawmill;
61 Operator of a washing station or vehicle lubrication;
62 Operator of a processing or manufacturing energy plant;
63 Operator of a plant for the production of drinking water;
64 Operator for the production of alcoholic beverages;
65 Nightclub operators;
66 Casino operator or similar establishment;
67 Operator of non alcoholic drinks and wines;
68 Games operator and public amusements;
69 Operator of general stores depots, warehouses or stocks;
70 Cinema and theater operators;
71 Taxi operators;
72 Telephone boutique operators;
73 Operators couches meant for sleeping and restoration;
74 Operator of gambling and entertainment agencies;
75 Forestry operators;
76 Manufacturer of syrup, lemonade or sparkling water;
77 Manufacturer of yogurt, ice cream or popsicles;
78 Surveys;
79 Insurance branches;
80 Tourism Guide;
81 Rated hotels;
82 Not rated hotels;
83 Bailiffs;
84 Importer or exporter;
85 Products packaging industry;
86 Manufacturing or processing industries;
87 Authorized intermediaries for the purchase of raw materials;
88 Physiotherapists;
89 Analytical laboratories which carry out research studies;
90 Biological laboratory or medical analysis;
91 Photograph development laboratories;
92 Aircraft companies;
93 Industrial computers and card machines;
94 Heavy duties equipments;
95 Bicycle rental agencies;
96 Video cassettes rental services;
97 Rental of cycle mopeds;
98 Rental of business equipments, installation of local play grounds and pump services;
99 Labor rental services;
100 Rental of equipped halls for meetings, ceremonies, festivals, shows etc;
101 Car rental services or devices;
102 Rental of furniture;

103 Manicure, pedicure resulting to beauty treatments;
104 Sales using movable automobile;
105 Dealers in sand, gravel or rubble;
106 Mechanic repairer, electrical repairer;
107 Doctor or operators of a medical center or clinic;
108 Notaries;
119 Organizer of shows and concerts;
110 Pastry and confectionery;
111 Landscape specialists;
112 Pharmacists;
113 Local prospector surveys;
114 Repairers of Audio Video equipments and the selling of spare parts;
115 Sales Representatives;
116 Rated restaurants;
117 Note rated restaurants;
118 Bankruptcy Trustee;
119 The use of mechanical dyer or launderer machines;
120 Owning a hairdresser salon and the selling of cosmetics which results in beauty treatments;
121 Owning a kindergarten;
122 Transitional or terminal operators;
123 Transportation of both people and goods to the outskirts of urban areas;
124 Urban transportation of people by vehicle;
125 Salt or sugar refining plant;
126 Veterinarians.

CHAPTER II LIQUOR LICENCES

I - GENERAL PROVISIONS

Section C.33.- Any natural person or corporate body authorized to engage in the whole or retail sale, in any capacity whatsoever, or in the production of alcoholic or nonalcoholic drinks, shall be liable to the liquor licence.

Section C. 34.- (1) The following shall be considered non-alcoholic drinks :

- non alcoholic beer brewed from the fermentation of a wort prepared 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 from fresh fruit such as : lemon, orange, pineapples, gourds, raspberry, pomegranate, cherry, red currants, etc with the exception of wine.

(2) Beer, wine, liquor and beverages other than those listed in the preceding sub-section shall be deemed to be alcoholic beverages.

Section C.35.- The following activities shall be exempted from liquor licence: the sale of mineral water, aerated water, flavoured or not with non-alcoholic extracts, and the sale of fresh unfermented fruit juice where such sales are made in an establishment distinct from one licensed to sell dutiable beverages.

Section C.36.- (1) Liquor licence shall be payable by importers, producers and dealers who sell drinks subject to a licence. It shall be personal and payable annually.

(2) It shall be payable per establishment in accordance with the same rules as those applicable to business licences. The licence shall be assessed according to turnover.

Section C.37.- (1) The rate for liquor licences shall be as follows:

- twice the business licence for soft drinks;
- four times the business licence for alcoholic beverages and wines.

(2) However, for dealers selling drinks subject to a licence and who make a turnover of less than 15,000,000 francs, the liquor licence shall be fixed as follows:

- one time the amount of the discharge tax for soft drinks;
- twice the amount of the discharge tax for alcoholic drinks.

Section C. 38.- When there is a combined sale of drinks and any other trading within the confines of the same establishment, the turnover to be considered for the calculation of the liquor licence shall be that declared for the sale of drinks.

Section C. 39.- (1) Off-licence dealers may not sell quantities of less than 1 litre except in the case of sealed bottles bearing a mark of origin. Otherwise, they shall be treated as on-licence dealers.

(2) Any person who allows or tolerates in his establishment or under its veranda, the consumption of any drinks sold on a takeaway basis shall likewise be deemed to be an on-licence dealer.

Section C.40.- Where in the same establishment, the operations effected might give rise to different licences; such establishment shall be liable to the higher licence for all the operations carried out by it.

Section C.41.- Any delivery of drinks subject to a licence in connection with commercial, barter or exchange transactions, and even gifts, or any drinks set aside for private consumption shall be deemed to be a sale for the assessment of turnover for liquor licence.

Section C.42.- (1) The payment of liquor licence shall be distinct from the payment of business licence and of one licence shall not constitute exemption from the other.

(2) The selling of drinks carried on concurrently with some other business

shall entail the payment of liquor licence and of business licence for the other business.

Section C.43.-(1) All provisions pertaining to payment of business licence or the discharge tax and bearing on the principles, concept of establishment, returns to be filed, their verification and the assessments shall be applicable to the payment of liquor licences.

(2) Any person selling drinks subject to a licence without authorization or engaged in a business liable to a tax higher than the one initially levied, shall be automatically assessed for the whole year or on the difference between the real amount due and the sums already paid.

(3) The penalties relating to business licence, provided for above shall also apply to liquor licence.

SECTION II **LIQUOR LICENCE TARIFFS**

Section C.44.-Liquor licence tariffs are shown on the following table :

Type of activity		Activities subject to business licence	Activities subject to discharge tax
Liquor licence class	Basic element	Business licence	Amount of the discharge tax
Class 1	non-alcoholic beverages	2 times the business licence	1 time the amount of the discharge tax
Class 2	Alcoholic beverages	4 times the business licence	2 times the amount of the discharge tax

CHAPTER III DISCHARGE TAX

Section C.45.- Taxpayers engaged in a commercial, industrial handicraft or agropastoral activity falling neither under the assessment based on actual earnings, nor the simplified taxation regime nor the basic regime shall be liable to a discharge tax exclusive of payment of the business licence, personal income tax and Value Added Tax.

Section C.46.-(1) The discharge tax shall be assessed and issued by the taxation services.

(2) The discharge tax rate shall be established by regional and local authorities benefiting from the proceeds of this tax, within a bracket determined by category of activities as follows:

- A: *from 0 franc to 20,000 francs*

CFA

- B: *from 21,001 francs to 40,000*

francs CFA

- C: *from 40,001 francs to 50,000*

francs CFA

- D: *from 51,001 francs to 100,000*

francs CFA

The various local communities may, in between the stated categories, apply the specific rates of the activities in the limits that has been stated by each category.

a) Liable to category A, producers, service providers and traders with an annual turnover of less than 2 ,500,000 CFA francs.

b) Liable to category B, producers, service providers and traders with an annual turnover of between 2,500,000 to 5 ,000,000 CFA francs.

c) Liable to category C, producers, service providers and traders with an annual turnover of between 5,000,000 to 7 ,500,000 CFA francs.

d) Liable to category D:

- Producers, service providers and traders with an annual turnover of between 7,500,000 and 10,000,000 CFA francs;

- Operators of baby foot with less than ten (10) machines;

- Operators of pinball machines and video games with less than five (5) machines;

- Operators of slot machines with less than three (3) machines.

(3) Nevertheless the rates of the discharge tax for transporters have been fixed by the Collectorial Decentralized Bodies. The benefits of this tax is between the threshold as follows:

- A: *from 0 franc to 10,000 francs*

CFA

- B: *from 10,001 francs to 20,000 francs CFA*

- C: *from 20,001 francs to 25,000 francs CFA*

- D: *from 25,001 francs to 50,000 francs CFA*

(4) Where the turnover is not determined, activities liable to the discharge tax shall be classified under Annex I of this chapter.

Section C.47.-(1) The discharge tax shall be paid per council, per establishment and per activity where several different activities are carried on in the same establishment and per activity where several different activities are carried on in the same establishment.

(2) However, a hawker who shows proof of payment of the discharge tax to the council of his place of residence shall not be taxable in other council areas for the same activity.

(3) It shall be paid quarterly and within fifteen days of the end of each quarter to the council revenue office using an index card bearing:

- full name and address;
- date of birth of incorporation;
- place of birth or incorporation;
- full name and address of father or manager;
- full name and address of mother;
- nationality;
- registration number;
- location (head office and respective establishments according to town, neighbourhood, street, door number);
- post box number;
- telephone number and, where necessary, e-mail address;
- type of activity;
- amount of turnover and any other information necessary for the assessment of the discharge tax;

- number of the relevant taxation centre;
- required turn over;
- discharge tax group and category;
- quarter for which payment is made.

(4) Persons carrying out an activity liable to the discharge tax shall make a declaration thereof to the taxation service, or to the council office in areas where there is no taxation service, within 15 days of the start of the said activity. Such declaration must contain the same information as those specified in the preceding sub-section.

(5) Persons who, within the year, engage in an activity liable to the discharge tax shall owe the said tax only from the first days of the quarter during which the activity was started.

(6) The payment of the discharge tax shall give entitlement to the issuance of a tax ticket signed by the taxation service, or the mayor in a council where there is no taxation service.

(7) All taxpayers shall be required to display their discharge tax ticket in their establishment. For it to be deemed valid, the tax ticket thus displayed should be backed by a receipt confirming the payment of the discharge tax.

(8) Failure to display the discharge tax ticket shall entail closure of the establishment and a tax penalty of 5,000 francs.

(9) All taxpayers shall be required to show their discharge tax ticket whenever requested to do so by the authorities in charge of tax assessment and collection.

(10) However for hawkers and transporters, failure to show the tax ticket

shall entail seizure of non perishable movable goods or vehicle and their impoundment by the council under the conditions laid down by law.

(11) Failure to pay the discharge tax within the required time-limits specified above shall entail concomitantly the automatic and immediate closure of the establishment (s) and a penalty of 30% of the amount of tax payable, without prejudice to sanctions.

(12) Where, for a taxpayer subject to the flat rate tax there is positive proof of a turnover of more than ten (10) million, such taxpayer shall be subject to the business license tax and as the case may be, to the simplified regime or the actual earning regime.

(13) Deleted.

ANNEXES TO CHAPTER III

ANNEX I

Classification of activities liable to the discharge tax:

a) Category A shall comprise:

- Itinerant barbers;
- Food hawkers;
- Cooked food sellers in makeshift premises;
- Hawkers of carbonated beverages and drinking water on tricycle, hand-carts or mopeds;
- Grinding machine operators;
- Itinerant engravers;
- Itinerant barbers;
- Operators of taps, per tap;
- Craftsmen or manufacturers without any mechanical appliances;
- Itinerant “soya” sellers

- Goods carriers using hand-carts;
- Itinerant watch and dock repairers;
- Foodstuff retailers (“bayam sellam”) without a means of transportation;
- Operators of photocopying machines, typewriters or computers for word processing without premises, and per photocopy machine, typewriter or computer;
- Itinerant shoe repairers;
- Raphia or palm wine sellers;
- Blacksmiths;
- Itinerant flower vendors;
- Battery chargers and tyre repairers but not tyre sellers;
- Retailers of firewood;
- Itinerant CD or watch vendors;
- Charcoal retailers;
- Itinerant photographers or cameramen; - Itinerant pastry vendors.

b) Category B shall comprise:

- operators of photocopying machines, typewriters or computers for word processing with premises and per photocopying machine, typewriter or computer;
- tailors or dressmakers with less than 5 machines, apprentices or employees
- or working alone;
- cafeteria operators;
- owners of hairdressing salons with 1 to 3 employees;
- wood sculptor;
- watch repairer with fixed premises;
- engraver operating at home;

- Non-wage earning retailers of lottery and PMUC tickets;
- Flower vendors with fixed premises;
- Newspaper stand operators;
- Itinerant bookshop operators;
- Owners of developed and furnished eating houses;
- Small livestock and poultry sellers, without fixed premises;
- Business motorbike owners;
- Food stuff retailers with motorcycles;
- Studio photographers;
- Itinerant cameramen.

c) Category C shall comprise:

- hides and skin collectors;
- basket makers;
- operators of “three-card” gambling games;
- owners of hairdressing salons with three to five employees;
- operators of a car wash with a water meter without security guard facilities;
- operator of a school canteen
- sellers of yoghurt, ice cubes or ice-lollipops;
- flower vendors at home;
- foodstuff or goods retailers with a tricycles;
- television set and other audiovisual appliance repairs not selling spare parts;
- firewood vendors with tricycles;
- video club operators;
- local livestock and poultry seller;

- leather workers;
- Taxi owners and per taxi;
- Passenger transporter by car to the outskirts of urban centre;
- Dealers in non-alcoholic beverages.

d) Category D shall comprise:

- Dealers in alcoholic beverages;
- Sand, gravel or stone sellers;
- Operators of dance, music, sports, physical development clubs or gymnastic
- Monitor;
- Sellers of poles, bomboos and planks;
- Unclassified restaurants;
- Manicurists, pedicurists providing beauty care;
- Butcher without a cold store;
- Operators of a hairdressing salon with more than five employees;
- Commuter transporter and per vehicle;
- Firewood sellers with vehicles;
- Mixed passenger and good transporter by car to the outskirts of urban centres;
- Telephone both operators;
- Mid-wives, nurses, masseurs providing care at home;
- Tobacconists;
- Traditional doctors or herbalists; - Firewood vendors with vehicles;
- Mechanics, panel beaters, motor electricians without mechanical means;

- Alcoholic beverage sellers;
- Sellers by car;
- Television set and other audiovisual appliance repairers selling spare parts;
- Livestock and poultry sellers with premises;
- Operator of a car wash with a water meter without security guard facilities;
- Canopy, chair or plate rentals;
- Operators of baby-foot having less than 10 machines;
- Operators of pin-ball and video games having less than five machines;
- Operators of slot machines having less than three machines.

CHAPTER IV PROPERTY TAX

Section C.48.- All proceeds (100%) from property tax shall be paid to the council of the place where the property is located.

CHAPTER V TRANSFER OF PROPERTY

Section C.49.- All proceeds from fees on the transfer of property provided for by the General Tax Code shall be paid to the council of the place where the property is located.

CHAPTER VI TAX ON GAMES OF CHANCE AND GAMES OF ENTERTAINMENT

Section C.50.- All proceeds from tax on games of chance and games of

entertainment provided for by the General Tax Code shall be paid to the council of the place where the establishment is located.

CHAPTER VII STAMP DUTY ON MOTOR VEHICLES

Section C.51.- All proceeds from stamp duty on motor vehicles provided for by the General Tax Code shall be paid to the Special Council Support Fund (FEICOM) or any other body responsible for the centralization and equalization for redistribution to councils.

CHAPTER VIII FORESTRY TAXES

Section C.52.-(1) A quota (40%) of proceeds from annual forestry taxes shall be paid to councils in accordance with the provisions of the General Tax Code.

(2) The quota of annual forest taxes paid to councils shall be distributed follows :

- 50% as deduction at source for the council of location ;
- 50% as the balance centralized by FEICOM or any other body responsible for the centralization of proceeds from tax, fees and royalties due to the councils.

(3) The centralized balance of annual forest taxes shall be distributed to all councils under the conditions laid down by law.

CHAPTER IX STAMP DUTY

Section C.52 (a).- (1) quota of 20% of proceeds from the stamp duty on

advertising referred to in Section 592 of this Code shall be allocated to councils.

(2) The quota referred to in (1) above shall be shared as follows:

- 50% as deduction at source for the council of location;

- 50% as the balance centralized by FEICOM or any other body responsible for centralizing and equalizing proceeds from tax, fees and royalties due to the councils.

Section C.52 (b).- Twenty (20) percent of all proceeds from tourist tax shall be paid to the council of the place where the accommodation facility is located.

PART III
ADDITIONAL COUNCIL TAXES

Section C.53.-Additional council taxes shall be established on the following taxes and duties for the benefit of councils:

- Personal income tax;
- Company tax;
- Value Added Tax (VAT).

Section C.54.-(1) The rate of additional council taxes shall be 10% of the principal of the tax concerned.

(2) 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 components of the tax base.

(3) 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.55.-*Repealed*

Section C.56.- Proceeds from additio-

nal council taxes shall be distributed between the State and FEICOM, or any other body responsible for the centralization and equalization, and councils and city councils in accordance with a regulatory instrument.

Section C.56 a.- The assessment of business license and permits shall be increased by 3% on the principal as additional taxes for trade chambers.

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 an agricultural enterprise shall be transferred to the Chamber of Agriculture, Livestock and Forestry.

They shall distinctly figure on businesses license and permits; they shall be collected together with the principal.

PART IV COUNCIL TAXES

CHAPTER I LOCAL DEVELOPMENT TAX

Section C.57.- (1) A direct 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 provided to the populations, notably street lighting, sanitation, refuse collection, ambulance services, drinking water supply, electrification.

(3) Proceeds from the local development tax shall be devoted on a priority basis to the financing of the infrastructure referred to in the preceding sub-section.

Section C.58.- The maximum rates of the local development tax shall be fixed as follows:

• **For public and private sector employees :**

- monthly basic salary ranging between 62,000 and 75,000: 3,000 francs year;
- monthly basic salary ranging between 75,001 and 100,000: 6 ,000 francs year;
- monthly basic salary ranging between 100,001 and 125,000: 9 ,000 francs year;
- monthly basic salary ranging between 125,001 and 150,000:12 ,000 francs year;

- monthly basic salary ranging between 150,001 and 200,000: 15 ,000 francs year;
- monthly basic salary ranging between 200,001 and 250,000: 18 ,000 francs year;
- monthly basic salary ranging between 250,001 and 300,000:24 ,000 francs year;
- monthly basic salary ranging between 300,001 and 500,000: 27 ,000 francs year;
- Basic salary of more than 500,000 francs 30,000 francs / year.
- **For persons liable to the discharge tax or the business licence:**
 - Principal tax equal to or less than 30,000 francs : 7,500 francs / year;
 - Principal tax ranging between 30,001 and 60,000 francs: 9,000 francs / year;
 - Principal tax ranging between 60,001 and 100,000 francs: 15 ,000 francs / year;
 - Principal tax ranging between 100,001 and 150,000 francs: 22,500 francs / year;
 - Principal tax ranging between 150,001 and 200,000 francs: 30 ,000 francs / year;

- Principal tax ranging between 200,001 and 300,000 francs: 45,000 francs / year;
- Principal tax ranging between 300,001 and 400,000 francs: 60,000 francs / year;
- Principal tax ranging between 400,001 and 500,000 francs: 75,000 francs / year;
- Basic salary of more than 500,000 francs : 90,000 francs / year.

Section C.59.- The local development tax shall be collected at the same time. as the personal income tax, the discharge tax ad the business licence.

Section C.60.-The assessment, issuance, collection, time-limit, sanctions, judicial proceedings and claims relating to the local development tax shall comply with procedures applicable to taxes and duties on the basis of which they are assessed.

CHAPTER II OTHER COUNCIL LEVIES

I - COUNCIL LEVIES

Section C.61.- The municipal council may vote duties and taxes known as “council levies” for the council budget.

Section C.62.- Council levies shall comprise :

- the cattle slaughter tax;
- the council cattle tax;
- the firearms tax;
- the hygiene and sanitation tax;
- impoundment fees;
- market fees;
- building permit or lay-out fees;
- temporary public highway
- occupation fees;
- parking fees;
- car park occupation duties;
- quay ticket;
- entertainment tax;

- playground fees;
- advertising tax;
- council stamp duty;
- road degradation fees;
- the council transit or transhumance tax;
- the quarry products transportation tax;
- parking fees;
- the by-product tax.

II - SLAUGHTER TAX

Section C.63.- The slaughter tax shall be paid by the butcher for livestock killed in slaughterhouses constructed or managed by council.

Section C.64.- The maximum rates of the slaughter tax shall be fixed as follows :

- Bovine and equine livestock:
1,000francs per head

- Porcine livestock:
400 francs per head
- Ovine and caprine livestock: 250 francs per head.

Section C.65.-(1) The amount of the slaughter tax shall be calculated by the assessment services of the council and collected by the Council Revenue Collector.

- (2) It shall be paid by the butcher before the slaughter.
- (3) In the event of fraudulent slaughter, a penalty shall be imposed per head of stock killed, respectively 10,000 francs for bovines and 5,000 francs for porcine, ovine and caprine livestock, without prejudice to the sanctions provided for by the regulations in force.

III - COUNCIL CATTLE TAX

III.1 - SCOPE OF APPLICATION

Section C.66.- Every owner or keeper of bovine livestock shall pay an annual tax calculated per head of livestock owned.

III.2 - EXEMPTIONS

Section C.67.- The following shall be exempt from the tax:

- Plough animals;
- Animals belonging to the state;
- Sires imported from abroad;
- Animals reared and used by charity institutions exclusively for social-welfare purposes.

III.3 - ASSESSMENT, RATE AND PAYMENT

Section C.68.-(1) Cattle tax shall be paid by persons liable on declaration at the Council of the place where the herd is located.

(2) The livestock headcount shall be carried out by the council of the place where the herd is located in conjunction with the livestock service.

Section C.69.-(1) The annual rate shall be 200 to 500 francs per head of cattle.

(2) Payment of cattle tax shall not bar the levying of discharge tax or personal income tax where applicable.

Section C.70.-(1) Cattle tax shall be due on 1 January of the fiscal year.

(2) Proceeds from the cattle tax, which shall be paid voluntarily no later than 15 March on the declaration of the person liable or his representative, shall be intended for the council of the place where the cattle is located.

III.4 - PENALTIES

Section C.71.- Failure to pay the tax shall entail seizure and impoundment of the livestock.

Section C.72.- Any concealment of taxable livestock or any false declaration shall give rise to impoundment and a 100% penalty.

IV - FIREARMS TAX

IV.1 - SCOPE OF APPLICATION

Section C.73.-(1) Every owner of a firearm shall, on the declaration of such owner no later than 15 March of each year, be required to pay an annual tax to the council of the place

where such firearm is located, in accordance with the following rates:

- Trade gun 2 ,000 francs
- Smooth barrel sporting shot-gun 1,500 francs
- Gallery rifle 1 ,500 francs
- Rifles arm 2 ,000 francs
- Revolver and pistol 2,000 francs

(2) The Sub-divisional Officer and Mayor shall draw up the list of firearm owners no later than 15 March of each year.

(3) Obsolete arms shall cease to be taxed only when they have been deposited in the office of the sub-divisional Officer for destruction against a receipt.

IV.2 - EXEMPTIONS

Section C.74.- The following shall be exempted from this tax:

- firearms belonging to the State;
- service revolvers and pistols belonging to servicemen in active service and reserve officers;
- firearms in shops and commercial warehouses so long as they have not been brought into use.

IV.3 - ASSESSMENT AND PAYMENT

Section C.75.- The firearms tax shall be assessed, issued and paid to the council of the place where the firearms are located against a receipt.

IV.4 - PENALTIES

Section C.76.- Any concealment of taxable firearms, unlawful ownership

or any false declaration shall give rise to a 100% penalty.

V - HYGIENE AND SANITATION TAX

Section C.77.-(1) A hygiene and sanitation tax shall be paid to the council for the control of foodstuffs and commercial industrial buildings.

(2) The amount of the hygiene and sanitation tax shall be fixed as follows:

- foodstuffs sold in the open from 500 to 1,000 francs per quarter
- foodstuffs sold in a shop: from 1,000 to 1,500 francs per quarter;
- buildings: from 10,000 to 25,000 francs annually

(3) The amount of tax shall be fixed by resolution of the municipal council

(4) Any violation of the rules of hygiene and sanitation shall be punishable with a penalty of 100% of the amount of the tax due.

(5) The conditions for the application of this tax shall be laid down by law.

VI - IMPOUNDMENT FEES

Section C.78.-(1) Stray animals, vehicles and all objects found without a custodian or placed in violation of road regulations may be seized and placed in the impound from where they can be removed only upon payment of impoundment fees.

(2) These 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.79.-(1) The rates of impoundment fees shall be fixed within the following maximum limits:

- Heavy livestock: from 5,000 to 10,000 francs per head and per day;
- Small livestock: from 2,000 to 5,000 francs per head and per day;
- Pets: from 2,000 to 5,000 francs per head and per day;
- Heavy vehicles and equipment : from 10,000 to 50,000 francs per vehicle and per day;
- Other vehicles from 5,000 to 15,000 per vehicle and per day;
- Motorcycles: from 1,000 to 5,000 francs per motorcycle and per day;
- Other objects: from 1,000 to 3,000 francs per object and per day.

(2) Impoundment fees shall be collected by the Council Revenue Collector on the basis of a collection order issued by the competent Municipal Officer.

(3) The council may auction the animals, vehicles or objects that have not been claimed following a notification 30 (thirty) days after impoundment, in accordance with the regulations in force.

VII - MARKET FEES

Section C.80.-(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) Regular traders shall pay fixed fees while occasional vendors or those without a permanent place shall pay daily fees.

(3) The fixing of the rates of these fees shall take into account the disparities in living standards, specialization of the markets concerned and distance from the major supply centres.

(4) Market fees shall be the same for all traders, whether or not they are domiciled in the locality, any difference in rates being due solely to the surface area occupied.

VII.1 - FIXED FEES

Section C.81.-(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 building or by direct negotiation.

Section C.82.-(1) A contract must be signed between the permanent shop or stand occupant and the council.

(2) The contract must include the following information:

- Identity of the tenant;
- Occupant's single identifier;
- Location of the market (town, neighbourhood, named locality);
- Cadastral reference of the market;
- Shop number;
- Surface area of the premises;
- Amount of monthly fee;
- Duration of lease;
- Type of business.

(3) Any subleasing shall be strictly forbidden. It shall be punishable by a penalty of 200% of the fees due without prejudice to administrative sanctions and legal proceedings.

Section C.83.-(1) The rate of lease of council shops applicable in markets shall be fixed as follows :

- up to 4 m²:
from 5,000 to 10,000 francs per month;
- from 4.01 m² to 6 m² : from 10,000 to 15,000 francs per month;
- from 6.01 m² to 8 m² : from 15,000 to 20,000 francs per month;
- from 8.01 m² to 10 m²: from 20,000 to 25,000 francs per month;
- from 10.01 m² to 12 m²: from 25,000 to 30,000 francs per month;
- from 12.01 m² to 14 m²: from 30,000 to 35,000 francs per month;
- from 14.01 m² to 16 m²: from 35,000 to 40,000 francs per month;
- from 16.01 m² to 18 m²: from 40,000 to 45,000 francs per month;
- from 18.01 m² to 20 m²: from 45,000 to 50,000 francs per month;
- from 20.01 m² to 22 m²: from 50,000 to 55,000 francs per month;
- from 22.01 m² to 24 m²: from 55,001 to 60,000 francs per month;
- more than 24 m²: from 60,001 to 70,000 francs per month.

(2) Failure to pay a term of shop rents after a 15-day notification, the shop shall be placed under seal, in accordance with the regulations in force.

(3) The seals may be removed only upon the payment of a penalty of 5,000 francs in addition to the sums owed.

VII.2 - DAILY FEES

Section C.84.-(1) The occasional vendors and traders without permanent place in the market shall pay a daily market fee the amount of which shall be fixed by the municipal council. It shall range between 100 and 500 francs per vendor.

(2) Failure to pay, the goods shall be confiscated and may be restored only upon payment of a penalty corresponding to a fee in addition to the fee normally due.

Section C.85.-(1) The sale of goods on pavements and other public spaces, outside market places, shall remain prohibited.

(2) In the event of where occupation is established by the competent council, the vendors concerned shall pay a penalty ranging between 5,000 and 10,000 francs per day.

(3) Failure to pay the penalty referred to above or to leave the pavement, the goods of the vendors in breach of the law shall be impounded.

Section C.86.-(1) The shop rents and proceeds from the sale of tickets shall be collected by an intermediate revenue officer against a receipt drawn from a secured counterfoil booklet and hearing a printed facial value equal to a term of the monthly rent or cost of the ticket.

(3) The total sum collected shall be paid into the account of the municipal revenue collector within 24 hours on the presentation of a collection order by the competent municipal authority.

VIII - BUILDING PERMIT TAXES

Section C.87.- Building permit taxes shall be collected on any building constructed in the headquarters of the council or in suburbs that was the subject of approved town-planning.

Section C.88.-(1) The rate of building permit taxes voted by the municipal council for budgets 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 taxes shall be established on the basis of an estimate approved by the council technical services or, where need be, by those acting that capacity.

Section C.89.-(1) Any execution of work without the prior payment of taxes shall render the builder liable to a penalty the amount which shall be 30% of the taxes due. The penalty shall be paid to the council. It shall not exempt the guilty party from the payment of the main building permit taxes.

(2) Failure to obtain the building permit tax shall not lead to the demolition of the building, except in the cases referred to in section 125 of law No. 2004 of 21 April 2004 governing town planning in Cameroon.

Section C.90.- The building permit tax shall be collected by the council revenue collector on the basis of a paying-in slip issued by the competent municipal authorizing officer. The payment thereof shall determine the issue of the building permit.

IX - TEMPORARY OCCUPATION FEES OF THE PUBLIC THOROUGHFARE

Section C.91.-(1) The temporary occupation fees of the public thoroughfare or its right-of-way, by the disposal of materials, in particular, sand, stones, wood, exhibition of furniture, goods or any other object.

(2) The occupation of a public highway or its accesses shall be enforced.

(3) The following shall not be liable to the public highway temporary occupation fees:

- Services stations;
- Vehicles;
- Advertising media.

Section C.92.-(1) Any temporary occupation of the public highway shall be subject to a prior authorization of the competent head of the municipal executive who shall determine the duration thereof. The payment of the fees relating thereto shall be effected at the counter of the municipal revenue collector on presentation of the authorization.

(2) Except in the case of force major, any unauthorized occupation of the public highway or dumping of materials without the authorization of the municipality may, failing impounding, be subject to the payment of a tax equal to double the fees due.

Section C.93.-(1) The rate for temporary occupation of the public highway shall be voted by the municipal council at a maximum rate of 2,000 francs per square metre per day.

(2) The non-authorization or reduction in the area occupied or late

payment shall entail the payment of a fine of 100% of the amount of the principal due.

(3) In the absence of the owner, caretaker or any official answerable for the highway occupation requirements, the council shall, after notification by posting or radio, proceed to impounding the above mentioned property.

X - PARKING TAX

Section C.94.-(1) The parking tax shall be paid by any vehicle used for the urban transportation of persons exclusively in towns and built-up areas where the municipalities have set up parking lots or developed a traffic plan.

(2) Following the payment of this tax, the council shall develop areas for parking, notably: around offices, factories and markets.

Section C.95.- The quarterly maximum rate of the parking tax shall be fixed as follows :

- Motor-taxis 3,000 francs
- Taxis 10,000 francs
- Buses 15 ,000 francs

Section C.96.-(1) The parking tax shall be paid within the fifteen days following the beginning of each quarter in the council of residence of the carrier. The residence shall be determined by the business licence or discharge tax.

(2) The payment of the parking tax shall be effected against the issue of a ticket based on the model of the vehicle tax sticker.

(3) Any counterfeiting or fraudulent sale of tickets of the parking tax shall be punishable in accordance with the provisions of the penal code.

(4) Failure to present the parking tax ticket or the document in lieu thereof, recorded in a report, shall entail the impounding of the vehicle notwithstanding the payment of the principal of the tax.

XI - TAXES FOR THE OCCUPATION OF PARKINGLOTS

Section C.97.- Taxes for the occupation of parking lots shall be paid by operators of vehicles used for the public transportation of goods and persons such as cars, trucks, vans and buses.

Section C.98.-(1) The maximum rate for the occupation of parking lots in the areas developed shall be fixed as follows, on the basis of the type of vehicle and payable to the council where the parking lot is located:

- cars and vans:
1,000 francs per day;
- trucks and buses: 2
,000 francs per day.

(2) The parking lot tax shall be paid against a ticket issued by the council.

(3) Failure to pay the parking lot tax or parking out of the parking lot, where it is established by a report, shall entail impounding the vehicle notwithstanding the payment of the principal of the tax.

XII - PLATFORM TICKET

Section C.99.- (1) Boarding in a bus station or in a developed municipal landing stage shall be subject to the

payment of a platform ticket voted by the municipal council as follows:

a. Bus station: 250 francs per loading

b. Landingstage:

- boat without engine:
200 francs per loading;
- engine boat with less than 10 seats :
500 francs per loading;
- engine boat with more than 10 seats :
1,000 francs per loading.

(2) The platform ticket shall be paid exclusively to the council where the boarding takes place.

(3) Vehicles not loading in the developed bus stations, excluding the approved travelling agencies, shall equally be liable to payment of the platform ticket.

(4) Failure to pay the platform ticket shall entail payment of a line of 100% of the amount of the principal due.

XIII - ENTERTAINMENT TAX

Section C.100.-(1) Entertainment tax shall be paid to the council for all profit-making festivities organized usually or occasionally.

(2) Under this law, entertainment is occasional when it takes place in the open or in any other public place or open to public.

(3) This tax applies notably to the activities organized in the following establishments:

- cinema halls;
- dancing halls;
- theatre, concert, show halls;
- cabarets, night clubs, discotheques;

- cafés, bar dancing;
- video clubs.

(4) Entertainments organized for charitable purposes shall be exempted from the payment of the entertainment tax.

Section C.101.-(1) The tax rate for the usual entertainment shall be fixed on the basis of the type of entertainment following deliberation by the municipal council within the ceiling of 10,000 francs to 100,000 francs per quarter and per establishment.

(2) The tax rate for occasional entertainment shall be fixed by the municipal council. The ceilings shall range from 5,000 francs to 50,000 francs per day of entertainment.

(3) The entertainment tax shall be collected by the municipal revenue collector following a receipt document issued by the competent municipal authorizing officer.

(4) Failure to pay the tax shall entail the stopping of the entertainment or closing of the hall, in accordance with the provisions of the instruments in force.

(5) The seals shall be removed only following the payment of a fine corresponding to 100% of the amount of the principal due.

XIV - STADIUM FEES

Section C.102.-(1) Stadium fees may be voted by the municipal council at 5% of the funds collected from the stadiums located within the jurisdiction of the council during sports events or popular entertainments when entry into the stadium is payable.

(2) The payment of these fees shall make it mandatory for the council to:

- maintain the roads leading to the stadium;
- maintain and provide light to the areas surrounding the stadium.

(3) The stadium fees shall be collected by the city council or the district council as the case may be.

(4) Failure to pay due within a period of 8 (eighth) days after the end of the entertainment shall entail the payment of a fine of 100% of the amount of the principal due.

XV - ADVERTISING TAX

Section C.103.-Deleted.

XVI - COUNCIL STAMP DUTY

Section C.104.-(1) The council stamp duty shall be voted by the council for the council budget.

(2) The council stamp duty shall be fixed at 600 francs for the council budget. It shall be pasted on a document with a format less than or equal to a page of A4 format, notably:

- a copy or extract of a civil status document;
- the material legalization or certification of signature or document;
- a supplementary judgment;
- proxy;
- service-related bills forwarded to the council;
- any petition forwarded to the municipal officer.

(3) Any document exceeding the dimension of the abovementioned basic

format shall be subject to the payment of a CFAF 1 000 francs stamp duty.

XVII - FEES FOR ROAD DETERIORATION

Section C.105.-(1) Fees for road deterioration shall be paid by concessionaries and other contractors carrying out works on the public highway and by drivers of non-pneumatic engines whose works and circulation deteriorate the road. Any other form of road deterioration shall be subject to the same tax.

Section C.106.-(1) Maximum fixed rate of the fee for road deterioration shall be as follows:

a) digging, piping and other forms of deterioration:

- thick-tarred road 90,000 francs to 200,000 francs per m²; - tarred road 45,000 francs to 100,000 francs per m²; - earth road 15,000 francs to 50,000 francs per m².

b) Deterioration by caterpillars:

- tarred road 50,000 francs to 100,000 francs per m²; - earth road 20,000 francs to 50,000 francs per m².

(2) Where authorized by the municipal authority, the tax for road deterioration shall be collected by the municipal revenue collector on presentation of the prior authorization and the receipt document issued by the head of the council executive.

(3) Persons who carry out piping or digging works and use the engines referred to under this section without the prior municipal authorization shall be liable to pay a fine of 100% of the amount of the principal due, notwith-

standing the penalties provided for by the laws and regulations in force.

XVIII - TRANSIT OR TRANSHUMANCE COMMUNAL TAX

Section C.107.-(1) The transit tax shall be collected by the councils on the cattle from the neighbouring State.

(2) Where the herd in transit stay for more than 15 days on the territory of the same council, they shall, save in the case of force majeure, be considered to be on transhumance therein with effect from the 16th day.

(3) The transit tax rates shall be fixed as follows:

- cattle and horse: 200 francs to 500 francs per cattle head and per council;
- sheep and goats: 100 francs to 300 francs per cattle head and per council.

(4) The transit and transhumance taxes shall be collected by the Municipal Revenue Collector, with the assistance, as and when necessary, of representatives of the traditional authorities and if need be, of veterinary service officers.

(5) The Municipal Revenue Collector shall be the only person authorized to collect the revenue against a receipt from the counterfoil book duly numbered and initialed by the relevant services of the council concerned.

(6) The Municipal Revenue Collector, the representatives of traditional authorities and the veterinary services shall be entitled to a discount for each cattle head controlled. The discount

amount shall be fixed following deliberation by the municipal council.

(7) The traditional chiefs shall, in addition, be entitled to a remission fixed following deliberation by the municipal council, for their participation in the control of herds and damages subsequently caused by the latter in their territory.

(8) In the event of fraud, by the owner or shepherd of the cattle subject to transhumance or transit tax to conceal all or part of the cattle to be controlled, the offender shall be liable to a fine of 100% of the amount of the principal due for each undeclared animal.

XIX - TAX ON TRANSPORTATION OF QUARRY PRODUCTS

Section C.108.- The tax on transportation of quarry and other products may be instituted by the municipal council for the budget of the council where the quarry is located. It shall apply to the vehicles transporting products of the exploitation concerned, other than those of the exploiter.

Section C.109.- The maximum rates applicable shall vary on the basis of the type of vehicles as follows:

- less than 6 tonnes: 1,000 francs per truck and per trip;
- 6 to 10 tonnes: 2,000 francs per truck and per trip;
- more than 10 tonnes: 3,000 francs per truck and per trip.

Section C.110.-(1) The tax on the transportation of quarry products shall be collected by the municipal revenue office against a receipt from a secured

counterfoil book and indicating the nominal value of the tariff voted by the municipal council.

(2) Failure to pay the tax for the transportation of quarry products shall entail the impounding of the vehicle.

XX - FEES FOR THE OCCUPATION OF PARKING LOTS

Section C.111.-(1) Fees for the occupation of parking lots may be voted for the council budget for the occupation, by private vehicles, of the parking lots developed or constructed by the council.

(2) The parking lots developed for government services shall not be subject to payment of the fee.

Section C.112.-(1) The rates for the parking lot fees shall be fixed as follows:

- 100 francs per hour for reserved parking lots;
- 500 francs per day and per parking lot;
- 15,000 francs per month and per parking lot.

The parking lot fees shall be paid in advance and collected by the municipal revenue collector against a receipt

from a secured counterfoil book and indicating the nominal value of the time tariff voted by the municipal council.

(2) Failure to pay the parking lot fees shall, in addition to the amount of the principal, be liable to the following fines:

- 1,000 francs per hourly rates of 100 francs;
- 5,000 francs per daily rates of 500 francs;
- 50,000 francs per monthly rates of 15,000 francs.

XXI - TAX ON SALVAGED PRODUCTS

Section C.113.-(1) The salvaging of products from non-communal and non-community forests shall entail, save otherwise provided for, payment of a compensatory contribution to the council of the locality, known as tax on salvaged products.

(2) The tax on salvaged products shall be paid by the owner of the salvaged to the products to the tune of 2,000 francs per m³.

(3) Failure to pay the tax on salvaged products shall entail seizure of the salvaged products and payment of a fine of 100% of the fees of the principal due.

PART V
SPECIAL PROVISIONS APPLICABLE TO CITY COUNCILS

SINGLE CHAPTER
DISTRIBUTION OF DUTIES AND TAXES BETWEEN THE CITY
COUNCILS AND SUBDIVISIONAL COUNCILS

Section C.114.-The city council and subdivisional councils will enjoy the same benefit like the Local Communities, on the conditions stipulated by sections 115 and 116 below.

Section C.115.-(1) The fiscal revenue of the city council shall comprise:

- proceeds from business licence and liquor licences;
- proceeds from additional council taxes;
- proceeds from multi-purpose stadium fees;
- proceeds from automotive stamp duty on motor vehicles;
- proceeds from local development tax;
- proceeds from advertising tax;
- proceeds from taxes on the occupation of the parking lots of the city council;
- proceeds from tax on game of chance and entertainment;
- proceeds from taxes on stands on city council markets;
- proceeds from impounding taxes for the city council;
- proceeds from building or settlement permit taxes;
- proceeds from the parking tax;
- proceeds from communal stamp duty.

(2) Tax revenue of the district council shall comprise:

- proceeds from the discharge tax;
- proceeds from additional council taxes;
- proceeds from the communal cattle tax;
- proceeds from the forestry equalization royalty;
- proceeds from the cattle slaughter tax;
- proceeds from taxes on stands in district council markets;
- proceeds from taxes on the temporary occupation of the public highway;
- proceeds from hygiene and sanitation tax;
- proceeds from taxes on the parking lots of the district council;
- proceeds from stadium taxes excluding multi-purpose stadiums;
- proceeds from entertainment tax;
- proceeds from communal transit or transhumance tax;
- proceeds from tax on the transportation of quarry products;
- proceeds from impounding tax the district council;
- proceeds from firearm tax;
- proceeds from the salvaging tax.

(3) The tax revenue shared between the city council and district councils shall comprise:

- proceeds from the property tax at the rate of:
 - 60 % for the city council;
 - 20 % for district councils; -
 - 20 % for FEICOM.

- proceeds from real estate transfer tax at the rate of:
 - 60 % for the city council;
 - 20 % for district councils;
 - 20 % for FEICOM.

PART VI
INTER-COUNCIL AND EQUALIZATION TAX REVENUE

Section C.116.- (1) Twenty percent (20%) of the proceeds from the tax revenue of the following regional and local authorities, shall be deducted and allocated to FEICOM or any other body in charge of centralization and equalization for the financing of the council, city council and council union projects:

- proceeds from the parking tax;
- proceeds from the additional council taxes for councils;
- proceeds from business licences;
- proceeds from licences;
- proceeds from real estate property tax.

(2) The following proceeds from local taxes shall be centralized and redistributed to all councils and city councils:

- 20% of the quota of stamp duty on advertising allocated to councils.

- 70 % of additional council taxes;
- 50% the annual forestry royalty allocated to councils;
- 100% of stamp duty on motor vehicles;
- 100% of the local development tax paid by employees of the public sector and enterprises under the jurisdiction of the Large Tax Payers Unit.

Section C.117.- (1) A share of the proceeds referred to under Section 116 above shall be redistributed to councils and city councils according to the criteria and conditions laid down by the regulations.

(2) Council unions and other council groupings may receive assistance from the abovementioned body, under the same conditions as councils.

PART VII REGIONAL TAXES AND LEVIES

Section C.118.- All or part of the following proceeds from local taxes shall be allocated to the regions:

- Stamp duty on vehicle certificates;
- Airport stamp duty;
- Axle tax;
- Royalties on forest, wildlife and fishery resources;
- Royalties on water resources;
- Taxes or royalties on mineral resources;
- Taxes and/or royalties on energy resources;
- Taxes and/or royalties on tourist resources;
- Aerospace taxes and/or royalties;
- Taxes and/or royalties on gas sector resources;
- Road usage royalty;
- Taxes on the exploitation of establishments considered as dangerous, unhealthy or obnoxious;

- Any other tax, duty or royalty allocated by the State

Section C.119.- (1) Jurisdiction in respect of assessment, issuance and collection of taxes, levies and royalties for regions shall devolve on the relevant taxation services of the State and councils.

(2) The revenue or share from taxes, levies and royalties payable to regions shall be issued and collected through receipt and payment order by the Collector of Taxes.

They shall be transferred by the competent services of the Treasury to regions, or to the centralization or adjustment body for distribution among the regions.

(3) The conditions of distribution, centralization and payment of tax revenue to regions shall be laid down by the regulations.

**PART VIII
FISCAL PROCEDURES SPECIFIC TO COUNCIL TAXES**

**CHAPTER I
GENERAL PROVISIONS**

Section C.120.- 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 this law.

Section C.121.- The issuance and collection of indirect council taxes shall not be subject to concession, under pain of nullity.

**CHAPTER II
OBLIGATIONS OF TAXPAYERS**

**I - PRIOR REGISTRATION
OBLIGATION**

Section C.122.- Any natural person or corporate body liable to payment of a local tax or levy, including indirect council taxes, shall be required to file for prior registration under the conditions laid down by the General Tax Code.

**II - OBLIGATION TO FILE
RETURNS**

Section C.123.- (1) Council tax, additional council tax and royalty returns for regional and local authorities shall be filed under the conditions and time-limits provided by the law.

(2) Council tax returns shall be filed at the council assessment services, under the conditions and time limits laid down for each of the said taxes.

(3) A taxpayer liable to the council taxes who fails to file a return within the time-limit prescribed by this law shall be reminded to file a return within the conditions and time-limits provided for by the manual of tax procedures of the General Tax Code.

**CHAPTER III
THE ISSUING OF LOCAL TAXES**

Section C.124.- Some taxes whose proceeds are shared shall be collected by single collection order notice.

Section C.125.- (1) Council, local development and additional council taxes shall be calculated and issued by issued by State taxation services.

(2) They shall be issued on a single receipt, or where necessary, on a collection order notice.

Section C.126.- Council taxes shall be calculated and issued by the council assessment service.

**CHAPTER IV
COLLECTION OF LOCAL
TAXES**

I - AMICABLE COLLECTION

Section C.127.- (1) Council taxes, calculated and issued by State Taxation Services shall be paid voluntarily by taxpayers to the competent tax collector subject to the provisions relating to the discharge tax.

(2) Enterprises should specify in their returns and, where necessary, in

their payment supports, the shares accruing to local authorities and bodies.

(3) The relevant Treasury services shall distribute and transfer the local tax revenue issued and collected by the Tax Administration.

(4) *Deleted.*

(5) Regional and local authorities and other corporate bodies governed by Cameroon law shall keep an analytical account of issues and collections of taxes, duties, levies, and royalties calculated for them for the follow-up of their tax revenue in general and particularly in taxation centres and in the structure in charge of major companies.

(6) A log book for issues and collections shall be kept in each taxation centre for each regional or local authority or beneficiary body as well as a daily report on the taxes and levies raised for the different beneficiaries.

(7) The log book shall contain:

- the number and date of the issue roll;
- the business name or the names, surnames and address of the taxpayer;
- the detailed amounts of the taxes and levies per beneficiary;
- the number and dates of the payment and transfer receipts and, if need be, of payment orders.

(8) The daily report shall contain:

- the nature of the different taxes and levies;
- the identification of beneficiaries;

- global amount per tax levy for each beneficiary;
- the number of issue rolls and payment receipts established or printed;
- the amount, number and date of the transfer receipt issued by each of the beneficiaries.

Section C.128.-(1) Any person having to pay a local tax or levy shall do so in the tax office or in the local tax office within the time limit and conditions laid down by law.

(2) The payment of council taxes shall be done in cash, by cheque or by bank transfer.

(3) The local tax officer, the tax collector or failing that the competent treasury accountant shall issue receipts for all payments received.

(4) A duplicate can be issued to the tax payer or to the intermediary agent who so requests.

Section C.129.- Any person liable to council tax shall pay it at the competent municipal revenue office.

II - FORCEFUL RECOVERY

Section C.130.-(1) Failure to pay local taxes within the prescribed time limit shall be subject to forceful recovery in accordance with the Manual of Tax Procedures of the General Tax Code, subject to specificities provided for by this law.

(2) In case of non-payment of council tax within the time-limit prescribed by law, the council shall issue a direct writ of execution and proceed with the seizure of goods, property or animals.

(3) The council may, within thirty (30) days with effect from the date of seizure, auction the seized goods, property or animals.

(4) During the period of seizure, the feeding and care given to the seized animals shall be borne by their defaulting owner.

(5) The cost inherent in the conservation of seized perishable goods and foodstuffs shall be borne by their defaulting owners.

(6) The sale of seized goods shall be authorised by the chief executive of the council and executed by the bearer of the coercion in the form of sales carried out by legal procedure.

(7) Proceeds from sales shall be paid directly to the municipal revenue collector who shall issue a receipt and keep the surplus until the calculation of costs.

(8) Each sale shall be carried out by the municipal revenue collector and shall give to a report.

(9) Any seizure or sale contrary to the formalities prescribed by this book may give rise to legal proceedings against the perpetrators and the cost borne by them.

(10) Council tax recovery officers shall benefit from the regime of protection of public officials provided for by the Penal Code.

(11) In case of insult, they shall submit a report to the State Counsel.

Section C.131.-(1) The accounting documents and portfolio investments for the usage of or belonging to regional and local authorities shall be secured.

(2) The conditions of purchase, reception and management of the above-mentioned documents and investments shall be laid down by statutory regulations.

III - CONTROL

Section C.132.-(1) The control of local taxes shall be carried out by the competent State services.

(2) The control of council taxes shall be carried out by the competent council services.

Section C.133.- Some control operations may be carried out jointly by State and Council services on the basis of concerted programming.

Section C.134.- Council employees shall expressly be mandated and provided with a mission note issued by the competent authority for their control of council levies from taxpayers to be valid.

IV - PRESCRIPTION

Section C.135.-(1) The amounts owed by taxpayers as indirect council levies shall be extinguished after a period of two (2) years following the date on which they were due if no other decision had been taken to avoid the prescription.

(2) Within a period of one (1) year from the payment of levies, prescription shall be granted regional or local authorities against any application for the refund of amounts paid as direct council levies.

CHAPTER V LOCAL TAX DISPUTES

I - CONTENTIOUS JURISDICTION

Section C.136.- Petitions for local tax disputes shall be governed by the rules and procedures laid down in the manual of tax procedures, subject to the specific provisions governing council taxes.

Section C.137.- Claims relating to council taxes 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.

Section C.138.-(1) Any taxpayer who feels wrongly levied a council tax may submit a written claim to the head of the municipal council within a period of 30 (thirty) days from the date of issue of the tax claim of the date of certain knowledge of the levy.

(2) The above-mentioned claim shall, under pain of inadmissibility, comprise:

- an application bearing fiscal and communal stamps and duly signed by the claimant or the claimant's representative;
- information on the type and amount of the tax in question;
- a brief statement of the claimant's means and submissions;
- where necessary, a copy of any document which may back the payment of the total amount of the non-objected.

(3) Silence by the head of the municipal council for a period of 15 (fifteen) days from the date of reception of the claim, shall mean tacit rejection and shall open the way for referring the matter to the senior divisional officer, the representative of the State.

In addition to the items presented to the head of the municipal council referred to in Section C 138 (2) above, the claim presented to the senior divisional officer shall, under pain of inadmissibility, include documents supporting the payment of the objected tax.

Section C.139.-(1) Where, upon the opinion of the territorially competent State taxation service, the claimant's arguments are found to be justified, the senior divisional officer shall recommend to the head of the municipal council to grant a total or partial relief of the taxes in question.

(2) Silence by the senior divisional officer or refusal by the head of the municipal council to implement the recommendations of the senior divisional officer within 90 (ninety) days following the claim, shall mean tacit Rejection and shall open the way for the matter to be referred to the tax judge, as a petition against the decision of the head of the council executive.

Section C.140.- (1) The claimant shall have a period of 30 (Thirty) days with effect from the date of rejection of his claim to refer a matter to the tax judge.

(2) Any tax dispute brought before the competent administrative court shall be governed by the rules and procedures set forth in the manual of tax procedures for state taxes.

II - NON-CONTENTIOUS JURISDICTION

Section C.141.- The non-contentious jurisdiction shall hear complaints seeking to obtain:

- the remission or reduction of duly assessed council taxes, lodged by taxpayers facing financial difficulties or destitution who are unable to settle their debts with the council revenue service;
- the remission or reduction of tax fines or additional tax charges where such penalties, interest for late payment are final;
- discharge from tax liability incumbent on certain persons in respect of the payment of taxes due by third parties.

Section C.142.- The petitions shall be submitted to the head of the council executive and shall contain the information necessary to identify the tax being challenged.

Section C.143.- (1) Upon consideration, the head of the council executive shall notify his remission, reduction or rejection decision in writing within a period of 30(thirty) days with effect from the date of referral.

(2) Silence on the part of the head the council executive after the above-mentioned time-limit shall tantamount to tacit rejection.

CHAPTER VI PENALTIES

Section C.144.- Failure to pay council taxes within the prescribed time-limits shall lead to the application of the penalties provided by this law for each tax.

PART IX
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section C.145.- (1) In order to have a clear knowledge of the tax base and in collaboration with the council of the area, Government services and organizations of the sector as well as tax Authority shall conduct, on the basis of a map, legal and physical survey on plots, buildings, occupants and activities connected thereto.

(2) These operations also known as “surveys” shall be organized following conditions laid down by regulations.

(3) During land surveys, the Tax Authority may demand the production of the originals and take away copies of the land titles, building permits, business licences or discharge tax as well as property conveyance and enjoyment deeds on buildings liable to the various taxes and levies on land, immovable property and activities.

(4) After the land surveys, a tax Geographic Information System (GIS) and a taxpayers card index shared between State taxation services and councils shall be put in place.

(5) A tax census shall be organized within the 3 (three) months preceding the beginning of each financial year with a view to updating the above-mentioned land taxpayers card index.

(6) Land survey operations shall be organized every 5 (five) years.

(7) The officers in charge of the above-mentioned land surveys and of the findings of the land surveys shall be bound by the obligations of reserve and confidentiality.

Section C.146.- (1) Each land survey shall give rise to the updating of a plan and the annotation of a survey form jointly signed by the surveyor and by the owner or his representative.

(2) Mention shall be made of this refusal to sign.

(3) The land survey shall give rise to a local tax notice and whose originating facts have been established.

Section C.147.- The proceeds of taxes from equalization shall continue to be pooled at FEICOM pending the setting up of any other public structure as provided for by law.

Section C.148.- This law, which repeals all previous provisions repugnant thereto, shall be transposed into the General Tax Code upon its enactment.

Section C.149.- This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

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ANNEX

ANNEX 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) Notwithstanding 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 tax paid 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 payments

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

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**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 licence.

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.

(2) The fixed monthly amounts of the audiovisual communication tax for employee shall be as follows:

Tranche		Redevances	
from 0	to 50,000 Fcfa	0	
from 50,001	to 100,000 Fcfa	750	
from 100,001	to 200,000 Fcfa	1,950	
from 200,001	to 300,000 Fcfa	3,250	
from 300,001	to 400,000 Fcfa	4,550	
from 400,001	to 500,000 Fcfa	5,850	
from 500,001	to 600,000 Fcfa	7,150	
from 600,001	to 700,000 Fcfa	8,450	
from 700,001	to 800,000 Fcfa	9,750	
from 800,001	to 900,000 Fcfa	11,050	
from 900,001	to 1,000,000 Fcfa	12,350	
above	1,000,000 Fcfa	13,000	

Section 4.- (1) The audiovisual communication tax payable by natural persons and corporate bodies subject to the business licence, shall be assessed on the basis of the same rules, guarantees, and penalties applicable to the business licence.

(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 licence 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 licence 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 licence shall be paid at the same time as the business licence, 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.

Yaounde, 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 COLLECTION OF 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*



CONVENTION
BETWEEN
THE REPUBLIC OF CAMEROON
AND
THE KINGDOM OF MOROCCO
FOR THE AVOIDANCE OF DOUBLE TAXATION AND
THE PREVENTION OF FISCAL EVASION WITH
RESPECT TO TAXES ON INCOME

The Government of the Republic of Cameroon;

and

The Government of the Kingdom of Morocco;

Desiring to promote and reinforce their economic relations through the conclusion of a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,

Have agreed as follows:

**ARTICLE 1
PERSONS COVERED**

This Convention shall apply to persons who are residents of one or both of the Contracting States.

**ARTICLE 2
TAXES COVERED**

1. This Convention shall apply to taxes on income imposed on behalf of a Contracting State, of its political subdivisions or local authorities, irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income all taxes imposed on total income, or on elements of income, including taxes on gains from the alienation of movable or immovable property, taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

3. The existing taxes to which the Convention shall apply are, in particular:

a) in the case of the Republic of Cameroon;

- i) The personal income tax plus surcharges;
- ii) The company tax or the minimum tax on companies plus surcharges;
- iii) The special tax on income paid to persons resident out of Cameroon; and
- iv) The housing loans fund tax and other taxes based on salaries;

(hereinafter referred to as "Cameroonian tax");

b) In the case of the Kingdom of Morocco :

- (i) The income tax ; and
- (ii) The corporation tax ;

(hereinafter referred to as "Moroccan tax").

4. The Convention shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Convention in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes that have been made in their taxation laws.

ARTICLE 3 GENERAL DEFINITIONS

1. For the purposes of this Convention, unless the context otherwise requires:

- a) the terms "a Contracting State" and "the other Contracting State" mean the Republic of Cameroon or the Kingdom of Morocco, as the context requires;
- b) the term "Cameroon" means the territory of the Republic of Cameroon, and when used in a geographical sense, includes the territorial sea and any area adjacent to the coast beyond the territorial waters, over which Cameroon exercises sovereign rights, in accordance with Cameroonian legislation and international law, and which has been or may hereafter be designated as an area within which Cameroon may exercise rights with respect to the sea bed and subsoil and their natural resources;
- c) the term « Morocco » means the Kingdom of Morocco and, when used in a geographical sense, the term "Morocco" includes :
 - (i) the territory of the Kingdom of Morocco, the territorial sea thereof ; and
 - (ii) the maritime areas beyond the territorial sea, including the seabed and subsoil thereof (continental shelf) and the exclusive economic zone over which Morocco exercises sovereign rights, in accordance with its domestic laws and international law, for the purpose of exploration and exploitation of natural resources of such areas ;
- d) the term "tax" means Cameroonian tax or Moroccan tax, as the context requires ;
- e) the term "person" includes an individual, a company, a partnership and any other body of persons;
- f) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- g) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
- h) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise that has its place of effective management in a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
- i) the term "competent authority" means :
 - (i) in the case of Cameroon, the Minister in charge of Finance or his duly authorised representative;

(ii) in the case of Morocco, the Minister of Finance or his authorised representative;

j) the term « national » means :

(i) any individual possessing the nationality or citizenship of that Contracting State;

(ii) any legal person, partnership or association deriving its status as such from the laws in force in that Contracting State;

2. As regards the application of the provisions of the Convention at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Convention applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

ARTICLE 4 RESIDENT

1. For the purposes of this Convention, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of that person's domicile, residence, place of management or any other criterion of a similar nature, and also includes that State and any political subdivision or local authority thereof. This term, however, does not include any person who is liable to tax in that State in respect only of income from sources therein.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both Contracting States, then his status shall be determined as follows:

- a) he shall be deemed to be a resident only of the State in which he has a permanent home available to him; if he has a permanent home available to him in both States, he shall be deemed to be a resident only of the State with which his personal and economic relations are closer (centre of vital interests);
- b) if the State in which he has his centre of vital interests cannot be determined, or if he does not have a permanent home available to him in either State, he shall be deemed to be a resident only of the State in which he has an habitual abode;
- c) if he has an habitual abode in both States or in neither of them, he shall be deemed to be a resident only of the State of which he is a national;
- d) if he is a national of both States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident only of the State in which its place of effective management is situated.

ARTICLE 5 PERMANENT ESTABLISHMENT

1. For the purposes of this Convention, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.



2. The term "permanent establishment" includes especially:
- a) a place of management;
 - b) a branch;
 - c) an office;
 - d) a factory;
 - e) a workshop;
 - f) a mine, an oil or gas well, a quarry or any other place of extraction or exploitation of natural resources;
 - g) a sales outlet;
 - h) a warehouse, in relation to a person providing storage facilities for others; and
 - i) a fixed place of business used for the purpose of storage, display and delivery of goods or merchandise belonging to the enterprise.
3. The term « permanent establishment also includes:
- a) a building site, a construction, assembly or installation project or any supervisory activity in connection therewith, but only where such site, project or activity continues for a period of more than six months;
 - b) the furnishing of services, including consultancy services, by an enterprise through employees or other personnel engaged by an enterprise for such purpose, but only where activities of that nature continue (for the same or a connected project) within the Contracting State for a period or periods exceeding in the aggregate three months within any twelve-month period;
 - c) an enterprise that provides services, or supplies equipment and machinery on hire used or to be used, in exploration for, extraction of, or exploitation of mineral resources in that State.
4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:
- a) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the enterprise;
 - b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage or display;
 - c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or of collecting information, for the enterprise;
 - e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character;
 - f) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs (a) to (e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.
5. Notwithstanding the provisions of paragraphs 1 and 2, where a person - other than an agent of an independent status to whom paragraph 7 applies - is acting in a Contracting State on behalf of an enterprise of the other Contracting State, that enterprise shall be deemed to have a permanent establishment in the first mentioned Contracting State in respect of any activities which that person undertakes for the enterprise, if such a person:

- (a) has and habitually exercises in the State an authority to conclude contracts in the name of the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph; or
- (b) has no such authority, but habitually maintains in the first-mentioned Contracting State a stock of goods or merchandise, belonging to the enterprise, from which he regularly delivers goods on behalf of the enterprise.

6. Notwithstanding the provisions of this Article, an insurance enterprise of a Contracting State shall except in regard to re-insurance be deemed to have a permanent establishment in the other Contracting State if it collects premiums in the territory of that other State or insures risks situated therein through a person other than an agent of an independent status to whom paragraph 7 applies.

7. An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business. However, when the activities of such an agent are devoted wholly or almost wholly on behalf of that enterprise, and conditions are made and imposed between that enterprise and the agent in their commercial and financial relations which differ from those which would have been made between independent enterprises, he will not be considered an agent of an independent status within the meaning of this paragraph.

8. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

ARTICLE 6 INCOME FROM IMMOVABLE PROPERTY

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other State.

2. The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources. Ships, boats and aircraft shall not be regarded as immovable property.

3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting or use in any other form of immovable property.



4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

5. Where the ownership of shares or other corporate rights in a company or an other legal entity resident of a Contracting State entitles the owner of such shares or corporate rights to the enjoyment of immovable property held by the company or the other legal entity, income derived by the owner from the use, letting or use in any other form of his right of enjoyment may be taxed in the Contracting State in which the immovable property is situated.

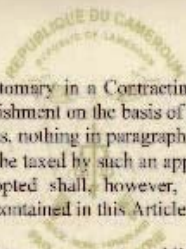
**ARTICLE 7
BUSINESS PROFITS**

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on or has carried on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as are attributable:

- (a) to that permanent establishment; or
- (b) sales in that other State of goods or merchandise of the same or similar kind as those sold through that permanent establishment; or
- (c) other business activities carried on in that other State of the same or similar kind as those effected through that permanent establishment.

2. Subject to the provisions of paragraph 3, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3. In the determination of the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the business of the permanent establishment including executive and general administrative expenses, whether incurred in the State in which the permanent establishment is situated or elsewhere. However, no such deduction shall be allowed in respect of amounts, if any, paid (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission, for specific service performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the permanent establishment. Likewise, no account shall be taken, for amounts charged (otherwise than towards reimbursement of actual expenses), by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission for specific service performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the head office of the enterprise or any of its offices.



4. In so far as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment of the total profits of the enterprise to its various parts, nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary. The method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in this Article.

5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise. It follows, that, any expenses that arise from the purchasing activities shall be excluded in calculating the taxable profits of the permanent establishment.

6. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

7. Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8 SHIPPING AND AIR TRANSPORT

1. Profits from the operation of ships or air craft in international traffic shall be taxable only in the contracting state in which the place of effective management of the enterprise is situated.

2. If the place of effective management of a shipping enterprise is aboard a ship or a boat, then it shall be deemed to be situated in the contracting state in which the home harbour of the ship or boat is situated, or, if there is no such home harbour, in the contracting state of which the operator of the ship or boat is a resident.

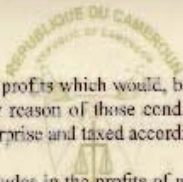
3. The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency, but only to so much of the profits so derived as is attributable to the participant in proportion to its share in the joint operation.

ARTICLE 9 ASSOCIATED ENTERPRISES

1. Where:

- a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or
- b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between



independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

2. Where a Contracting State includes in the profits of an enterprise of that State - and taxes accordingly - profits on which an enterprise of the other Contracting State has been charged to tax in that other State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other State shall make an appropriate adjustment to the amount of the tax charged therein on those profits. In determining such adjustment, due regard shall be had to the other provisions of this Convention and the competent authorities of the Contracting States shall if necessary consult each other.

3. The provisions of paragraph 2 shall not apply where judicial, administrative or other legal proceedings have resulted in a final ruling that by action giving rise to an adjustment of profits under paragraph 1, one of the enterprises concerned is liable to penalty with respect to fraud, gross negligence

**ARTICLE 10
DIVIDENDS**

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State.

2. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that state, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so shall not exceed ten (10) per cent of the gross amount of the dividends.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. The term "dividends" as used in this Article means income from shares, "jouissance" shares or "jouissance rights", mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident.

Income subject to the regime of distribution by the tax law in the contracting state of which the company is a resident, are according to this convention also considered as dividends.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14 as the case may be, shall apply.

5. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other State, nor subject the company's undistributed profits to a tax on undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

6. Notwithstanding any other provision of this Convention, where a company which is a resident of a Contracting State has a permanent establishment in the other Contracting State, the profits taxable under Article 7, paragraph 1, may be subject to an additional tax in that other State, in accordance with its laws, but the additional charge shall not exceed ten (10) percent of the amount of those profits, after deducting therefrom the corporate tax imposed on such profits by that State.

ARTICLE 11 INTEREST

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such interest may also be taxed in the Contracting State in which it arises, and according to the laws of that State, but if the beneficial owner of the interest is a resident of the other contracting state the tax so charged shall not exceed ten (10) percent of the gross amount of the interest.

3. Notwithstanding the provisions of paragraph 2, interest arising in a Contracting State, borne and paid by its government or Central Bank to the Government or the Central Bank of the other Contracting State, shall be exempt from tax in the first-mentioned Contracting State.

4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.

5. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with:

- a) such permanent establishment or fixed base, or with
- b) business activities referred to in (c) of paragraph 1 of Article 7 or Article 14, as the case may be, shall apply.

In such case the provisions of Article 7 or Article 14, as the case may be, shall apply

6. Interest shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.

7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

ARTICLE 12 ROYALTIES

1. Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.

2. However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed ten (10) per cent of the gross amount of the royalties.

3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph and video films, or films or tapes used for radio or television broadcasting or transmissions by satellite, cable, optic fibre or any other technology used for transmissions to the public, magnetic bands, diskettes or laser disks, software, patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial, agricultural or scientific equipment, or for information concerning industrial, commercial or scientific experience (know-how), as well as fees for technical services and the provision of services of personnel and services other than those provided for in article 14.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with:

- a) such permanent establishment or fixed base, or with
- b) business activities referred to in (c) of paragraph 1 of Article 7

In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

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5. Royalties shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the royalties, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

ARTICLE 13 CAPITAL GAINS

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in that other State.

2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a resident of a Contracting State in the other Contracting State for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.

3. Gains of an enterprise of a Contracting State from the alienation of ships or aircraft operated in international traffic or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in which the place of effective management of the enterprise is situated.

4. Gains from the alienation of shares of the capital stock of a company, the property of which consists directly or indirectly principally of immovable property situated in a Contracting State may be taxed in that State.

5. Gains from the alienation of any property other than that referred to in the preceding paragraphs of this Article, shall be taxable only in the Contracting State of which the alienator is a resident.

ARTICLE 14 INDEPENDENT PERSONAL SERVICES

1. Income derived by an individual who is a resident of a Contracting State in respect of professional services or other activities of an independent character shall be taxable only in

orgau of a company which is a resident of the other Contracting State may be taxed in that other State.

2. Salaries, wages and other similar remuneration derived by a resident of a Contracting State in his capacity as an official occupying a top-level managerial position in a company which is a resident of the other Contracting State may be taxed in that other State.

ARTICLE 17
ARTISTES AND SPORTSPERSONS

1. Notwithstanding the provisions of Articles 14 and 15, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsman, from his personal activities as such exercised in the other Contracting State, may be taxed in that other State.

2. Where income in respect of personal activities exercised by an entertainer or a sportsman in his capacity as such accrues not to the entertainer or sportsman himself but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15 be taxed in the Contracting State in which the activities of the entertainer or sportsman are exercised.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, income derived from the exercise of activities as mentioned in paragraph 1 through a programme of sport and cultural cooperation approved and financed wholly or mainly by the Government of the two Contracting States and which are carried on on a non profit basis, shall be exempt from tax in the Contracting State where such activities are exercised.

ARTICLE 18
PENSIONS, LIFE ANNUITIES AND
SOCIAL SECURITY PAYMENTS

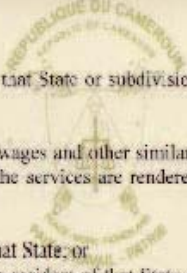
1. Subject to the provisions of paragraph 2 of Article 19, pensions, life annuities and other similar remuneration paid to a resident of a Contracting State in consideration of past employment shall be taxable only in that State.

2. Pensions, annuities and other periodical and occasional payments made by a contracting state, its political subdivision or local authority to insure personal casualties are taxable only in that contracting State.

3. Notwithstanding the provisions of paragraphs 1, pensions paid and other payments made under the social security legislation of a Contracting State shall be taxable only in that State.

ARTICLE 19
GOVERNMENT SERVICE

1. i) Salaries, wages and other similar remuneration, other than a pension, paid by a Contracting State or a political subdivision or a local authority thereof to an individual in



respect of services rendered to that State or subdivision or authority shall be taxable only in that State.

b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Contracting State if the services are rendered in that State and the individual is a resident of that State who:

- (i) is a national of that State; or
- (ii) did not become a resident of that State solely for the purpose of rendering the services.

2. a) pensions paid by, or out of funds created by, a Contracting State or a political subdivision or a local authority thereof to an individual in respect of services rendered to that State or subdivision or authority shall be taxable only in that State.

b) However, such pensions shall be taxable only in the other Contracting State if the individual is a resident of, and a national of, that State.

3. The provisions of Articles 15, 16, 17 and 18 shall apply to salaries, wages, pensions, and other similar remuneration in respect of services rendered in connection with a business carried on by a Contracting State or a political subdivision or a local authority thereof.

**ARTICLE 20
STUDENTS AND APPRENTICES**

1. Payments which a student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of the individual's education or training receives for the purpose of the individual's maintenance, education or training shall not be taxed in that State, provided that such payments arise from sources outside that State.

2. As concerns grants, scholarships and remunerations for an employment not covered by paragraph 1, a student or a trainee under the meaning of paragraph 1 shall, in addition, be entitled during the study period or apprenticeship to the same tax exemptions available to the residents of the state he is visiting.

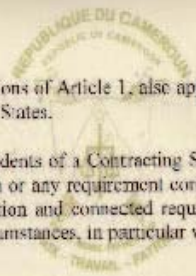
**ARTICLE 21
TEACHERS AND RESEARCHERS**

1. An individual who visits a Contracting State at the invitation of that State, of a university, an educational establishment or any other non-profit cultural institution through a programme of cultural exchange for a period not exceeding two years for the sole purpose of teaching, giving conferences or carrying out research in that institution, and who is or was immediately before that visit, a resident of the other Contracting State, shall be exempt from tax in the first-mentioned State on the remuneration he receives in respect of such activity, provided that such remuneration is derived from sources outside that State.

2. The provisions of paragraph 1 shall not apply to income received in respect of research work undertaken not in the public interest but chiefly for the private benefit of a specific person or persons.

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shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.

2. Stateless persons who are residents of a Contracting State shall not be subjected in either Contracting State to any taxation or any requirement connected therewith, which is either or more burdensome than the taxation and connected requirements to which nationals of that State concerned in the same circumstances, in particular with respect to residence, are or may be subjected.

3. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities. This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.

4. Except where the provisions of paragraph 1 of Article 9, paragraph 7 of Article 11, or paragraph 6 of Article 12, apply, interest, royalties and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State.

5. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is either or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.

6. The provisions of this Article shall, notwithstanding the provisions of Article 2, apply to taxes of every kind and description.

ARTICLE 25 MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the Contracting States result or will result for that person in taxation not in accordance with the provisions of this Convention, that person may, irrespective of the remedies provided by the domestic law of these States, present a case to the competent authority of the Contracting State of which the person is a resident or, if the case comes under paragraph 1 of Article 24, to that of the Contracting State of which the person is a national. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Convention.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Convention. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States.

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3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention.

4. The competent authorities of the Contracting States may communicate with each other directly, including through a joint commission consisting of themselves or their representatives, for the purpose of reaching an agreement in the sense of the preceding paragraphs.

ARTICLE 26 EXCHANGE OF INFORMATION

1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Convention or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions in so far as the taxation thereunder is not contrary to the Convention. The exchange of information is not restricted by Articles 1 and also concerns Value Added Tax.

2. Any information received under paragraph 1 by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

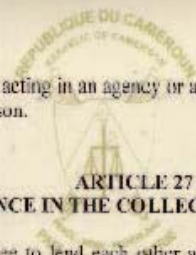
3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State the obligation:

- a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
- b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other Contracting State;
- c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (ordre public).

4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3 but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.

5. In no case shall the provisions of paragraph 3 be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial

institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.


ARTICLE 27
ASSISTANCE IN THE COLLECTION OF TAXES

1. The Contracting States agree to lend each other assistance with a view to collection, in accordance with their respective laws and administrative practice, of the taxes to which this Convention shall apply and of any increases, surcharges, overdue payments, interests and costs pertaining to the said taxes in cases where the taxes are definitely due according to the laws and regulations of the State making the application.
2. The application shall be accompanied by all documents required by the laws and regulations of the applicant State, to testify that the amounts to be collected can no longer be contested.
3. In light of these documents, the collection shall take place in the requested State in accordance with the laws and regulations applicable to the collection of its own taxes.
4. The claim corresponding to the taxes to be collected shall not be deemed as privileged claim in the requested State.

ARTICLE 28
MEMBERS OF DIPLOMATIC MISSIONS
AND CONSULAR POSTS

Nothing in this Convention shall affect the fiscal privileges of members of diplomatic missions or consular posts under the general rules of international law or under the provisions of special agreements.

ARTICLE 29
ENTRY INTO FORCE

1. This Convention shall be ratified and the instruments of ratification shall be exchanged as soon as possible.
2. The Convention shall enter into force upon the exchange of instruments of ratification and its provisions shall have effect:
 - a) with regard to taxes withheld at source, in respect of amounts paid or credited on or after the first day of January next following the date upon which the Convention enters into force; and
 - b) with regard to other taxes, in respect of taxable years beginning on or after the first day of January next following the date upon which the Convention enters into force.



**ARTICLE 30
TERMINATION**

This Convention shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Convention, through diplomatic channels, by giving notice on termination at least six months before the end of any calendar year starting five years after the year in which the Convention entered into force. In such event, the Convention shall cease to have effect:

- a) with regard to taxes withheld at source, for amounts paid or credited on or after the first day of January of the year next following that in which the notice of termination is given; and
- b) with regard to other taxes, for taxable periods beginning on or after the first day of January of the year next following that in which the notice of termination is given.

IN WITNESS WHEREOF, the undersigned, being duly authorised by the respective governments, have signed this Convention.

DONE at Yaounde on the 7th of September 2012 in two (02) original copies in Arabic, English and French languages, each text being equally authentic. In the event of discrepancy in interpretation, the text in French shall prevail.

**FOR
THE GOVERNMENT OF
THE REPUBLIC OF CAMEROON**

**H.E. Pr. MOUKOKO MBONJO,
Minister of External Relations**

**FOR
THE GOVERNMENT OF
THE KINGDOM OF MOROCCO**

**Dr. Saad Dine EL OTMANI
Minister of Foreign Affairs and Cooperation**

LAW N°2016/018 Of 14 December 2016

Finance Law of The Republic of Cameroon for the 2017 Financial Year

The Parliament deliberated and adopted, the President of the Republic hereby enacts the law set out below:

CHAPTER THREE

PROVISIONS RELATING TO THE GENERAL TAX CODE

SECTION THREE:

The provisions of Sections 3, 7, 17, 21, 46, 48, 90, 109, 119, 120, 121, 122, 123, 124, 124 (a), 127, 128, 141, 142, 149, 206, 208, 221, 222, 223, 224, 225, 225 (b), 228, 231, 234, 236, 237, 239 (b), 239 (b), 242, 243, 244, 244 (a), 543, 546, 546 (a), 582, 594, 595, 596, 597, 601, L1, L2, L7, L8, L42, L94 (a), L94 (b), L127, C7, C 10, C 13, C 21, C22, C23, C24, C25, C26, C31, C48, C52 (b), C104, C138 of the General Tax Code are hereby amended and/or supplemented as follows:

BOOK ONE

TAXES AND DUTIES

I: DIRECT TAXES

CHAPTER I

COMPANY TAX

II- SCOPE OF TAX

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

(2) Civil companies

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

-
-
-
- when they let or sublet entire or part of furnished buildings which they own or manage.

The rest shall remain unchanged

III-TAXABLE PROFIT

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

(4) Insurance premiums

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

-
-
- health 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;

The rest shall remain unchanged.

D - Depreciation

-
-

Small equipment and tools

The threshold for small equipment and tools to be included in balance sheet assets shall be CFAF 500 000 (five hundred thousand).

The rest shall remain unchanged.

VI -CALCULATION OF TAX

SECTION 17: (1) The tax rate shall be 30%.

(5) Where a company has received income from movable capital or capital gains on disposal of property subject to a 10% flat-rate tax as provided for in Section 90 of the GTC, the tax so calculated shall be reduced by setting off the tax already paid on such income. This system shall not apply to the companies referred to in Section 13 above.

SECTION 21: (I) The company income tax shall be paid on the initiative of the taxpayer no later than the 15th day of the following month, under the terms and conditions set forth below:

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

(b) For-production firms in the flour-milling sector, one instalment representing 2% of turnover realized after 50% abatement. Such instalment shall be increased by 10% as levy for additional council tax;

(c) For firms subject to the actual earnings tax system and falling under regulated profit margin sectors, one instalment representing 14% of gross margin shall be paid no later than the 15th day of the following month. Such instalment shall be increased by 10% as levy for additional council tax.

Within the meaning of this Section, the under-mentioned distribution sectors shall be considered regulated profit margin sectors:

- petroleum products and cooking gas;
- flour-milling products;
- pharmaceutical products;
- press products.

The taxation authority shall, as and when necessary, control and check the effectiveness of the margins applied.

(d) For persons subject to the simplified system, one instalment representing 5% of turnover realized during each month, and paid not later than the 15th day of the following month. Such instalment shall be increased by 10% for additional council taxes.

(e) For companies not registered in a taxation centre, 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.

(2) The instalment referred to in Section 21 (1) above shall be deducted at source by public accountants and those ranking as such during payment of invoices from the budget of the State, regional and local authorities, public administrative establishments, public and semipublic companies, as well as private companies, the list of which shall be established by regulation.

For forestry companies, it shall be deducted at source during payment of undressed or sawn timber purchase invoices.

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.....(Deleted).

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.....

(3) The following shall be subject to withholding tax:

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-;
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-;

The withholding tax rate shall be:

-;

14% on the gross margin for the purchase of goods with regulated prices referred to in paragraph 1. c. above;

-;
-;
-;
-;
-;
-;
- (Deleted).

The rest shall remain unchanged.

CHAPTER II
PERSONAL INCOME TAX

II - BASIS OF ASSESSMENT OF THE PERSONAL INCOME TAX

(iii) INCOME FROM PROPERTY

A. 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 non-commercial profession:

- (1)
- (2) capital gains made by natural persons from built-on or non-built-on property acquired against payment or free of charge;

The rest shall remain unchanged.

SECTION 48: (1) Net taxable income shall be equal to the difference between the amount of the gross income actually earned and the total amount of charges attached to the property that are deductible.

- (3)
- (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 capital gains, the following shall be considered deductible charges:

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

VI - COLLECTION METHODS

SECTION 90: The capital gains referred to in Section 46 (2) shall be subject to a 10% flat- rate withholding tax deducted by the notary for the vendor. The tax shall be paid prior to the registration formality using a form provided by the taxation authority or through electronic tax return.

The applicable rate for assessment of real estate capital gain tax shall be reduced to 5% for transactions on property located in zones subject to the official price list.

CHAPTER IV

INCENTIVES

A. YOUTH EMPLOYMENT PROMOTION INCENTIVES

SECTION 105 (new): Firms falling under the actual earnings tax system which recruit Cameroonian graduates below 35 years old for first-time jobs or pre-employment internship on an open-ended or fixed-term contract basis shall be exempted from taxes and contributions on the salary paid to such young people, excluding social security contributions.

The rest shall remain unchanged.

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

B. STOCK EXCHANGE SECTOR INCENTIVES

SECTION 109: Companies that issue stocks on the Cameroon stock exchange shall be entitled to a reduced company tax rate of 25% for a period of 3 (three) years, with effect from the year of issue.

Such reduction shall be granted to companies listed on the stock market within 3 (three) years, with effect from 1 January 2017.

D. INCENTIVES FOR APPROVED MANAGEMENT CENTRES

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

- a 50% abatement of the tax profit declared, without the tax owed being below the minimum collection provided for in this Code;
- a 50% abatement on the basis of withholding tax calculation on the purchases of distributors, where such purchases are made from big companies 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.
-
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(3) Promoters of approved management centres with at least 100 (one hundred) active members shall benefit from the following incentives:

- a 50% abatement of company tax or personal income tax with respect to the share of the revenue earned from AMC activities, without the tax owed being below the minimum collection provided for in this Code;
- waiver from taxes and contributions on salary paid to AMC employees.

(4) Promoters of approved management centres shall be required to attach to their monthly returns an updated list of their members.

E. INCENTIVES FOR EDUCATION, VOCATIONAL TRAINING AND HEALTH

SECTION 120: Without prejudice to the provisions of Sections 4 (10) 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 licence 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:
 - exemption from the obligation to collect VAT on all services provided by these establishments, whether they are directly related to their main teaching or healthcare delivery activity, or accessory thereto, such as catering, distribution of supplies, textbooks and uniforms, school transport and sale of medical supplies and pharmaceutical products;
 - 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 property income tax where they are tenants of the property used for their activities.

F. INCENTIVES FOR THE REHABILITATION OF DISASTER AREAS

SECTION 121: (1) Companies that carry out new investments in an economic disaster area shall be exempted from the following taxes and duties:

- in the installation phase that may not exceed 3 years;
 - o business licence tax waiver;
 - o exemption from VAT on purchases of goods and services;
 - o exemption from registration fees on project establishment-related property transfers;
 - o exemption from property tax on buildings used for the project.
- during the first 7 years of operation:
 - o exemption from business licence tax;
 - o exemption from company tax and minimum collection;
 - o 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 10 (ten) direct jobs;
- use up to 80% of raw material produced in the area;

(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 the 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 program, 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.

G. INCENTIVES FOR THE AGRICULTURAL SECTOR

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

- 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 the agricultural, 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 fisheries;
- exemption from registration fees for loan agreements to finance agriculture, stock breeding and fisheries;
- exemption from land tax for property belonging to agricultural, stock breeding and fishing companies, and used for these activities, excluding office buildings.

H. INCENTIVES FOR LOCAL MATERIALS AND RAW MATERIALS

a. BUILDING MATERIALS

SECTION 123: Public establishments promoting local building materials shall benefit from the following tax incentives:

- 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, BEVERAGES

SECTION 124: (1) New beverages produced and packaged exclusively using local raw material, save where an ingredient is absolutely unavailable on the local market, shall be subject only to ad valorem excise duty, excluding the specific excise duty referred to in Section 142 (8) 1. In such a case, no abatement shall apply in the calculation of the ad valorem excise duty.

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 market as of 1 January 2017.

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 credit:

- provisions for depreciation of fixed assets acquired new 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 liberality to independent researchers;
- expenditure related to the acquisition of the right to use inventions by Cameroonian researchers;
- expenditure 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 rate 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.

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

I. SEEDS

Tariff Heading	Product Identification
Plant Seeds	
120911 00 000 à 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	Robustacoffeseed
090111 31 000	Excelsa coffee seed
090111 41 000	Liberia coffee seed
090111 51 000	Indéniécoffee seed
100111 00 000	Hard wheatseed
100191 00 000	Meslinseed
100210 00 000	Rye seed
100310 00 000	Barleyseed
100410 00 000	Oatseed
100510 00 000	Corn seed
100610 10 000	Seed rice in husk (paddy rice)
100710 00 000	Grain sorghumseed
100810 10 000	Buckwheatseed
100821 00 000	Semence de MilletMilletseed

100830 10 000	Canarygrassseed
120100 10 000	Soya beanseed
120230 00 000	Groundnutseed
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	Fescuseed 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

II. FERTILIZERS

284290 10 000	Lead arsenate for agriculture and horticulture in drums and containers of 1 kg plus
310100 10 000 à 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, nematocides 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, horticultural 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 combustion engines or internal combustion
871620 00 000	Wagons, trailer or semi-trailer wagons for agricultural purposes

V. FARM TOOLS AND EQUIPMENT

820110 00 000 à 820190 00 000	Small farnequipment
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)

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

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 primary forms
392010 00 000	Other plates, ... non-cellular and not reinforced, ..., ethylene polymers (Ribbons and plastic sheath)
392020 00 000	Other plates, sheets, non-cellular 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 notRubber/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 à 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)

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)

PART II

PROVISIONS RELATING TO VALUE ADDED TAX AND EXCISE DUTY

CHAPTER I

SCOPE OF APPLICATION

II - TAXABLE TRANSACTIONS

SECTION 127: The following transactions shall be taxable:

(5) all types of real estate transactions carried out by real estate professionals.

The undermentioned persons shall be considered real as estate professionals:

-;
-;

-;
-;
-;
-;
- persons who let or sublet furnished buildings for residential purposes which they own or manage.

III- EXEMPTIONS

SECTION 128: The following items shall be exempted from value added tax:

(6) essential goods listed in Annex 1, including:

-;
-;
-

(21) materials and equipment specifically designed for persons with disabilities, the list of which shall be established by regulation;

(22) urban public transport by bus;

(23) universal postal service-related services rendered by postal service providers under 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.

CHAPTER II
METHODS OF CALCULATION
III - ASSESSMENT

A- TAX BASE

SECTION 141 a (new).- In the specific case of beverages listed below, the basis of assessment of excise duty shall be determined after application of an abatement of:

- 25% for carbonated beverages;
- 20% for beers with an alcohol content less than or equal to 5.5%;

B. RATES

SECTION 142,- (1) Value Added Tax and Excise Duty rates shall be fixed as follows:

a)

b)

(5) The excise duty general rate shall apply to goods and services listed in Annex II of Part I of this Code, **exclusive of vehicles**, mobile telephone communications and Internet services.

(6) (a) The abated rate of excise duty shall apply to:

- private vehicles with a combustion engine, aged more than 10 (ten) years;
- utility vehicles and road tractors aged more than 15 (fifteen) years, exclusive of agricultural tractors.

(b).....

(9) The provisions of Sub-section (8) above notwithstanding, specific excise duties shall be applied on non-returnable packaging under the following conditions:

- CFAF 15 per non- returnable packaging unit for alcoholic and carbonated beverages;
- CFAF 5 per non- returnable packaging unit for all other beverages.

Section 149.- (1)

(4).....

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They shall be refundable:

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- Within 3 (three) months of filing the application, credits resulting from investments made by marketers as part of the construction of filling stations and that cannot be offset over a period of one year through the normal assessment mechanism.

The rest shall remain unchanged.

ANNEXES TO PART II

ANNEX I:

LIST OF BASIC COMMODITIES EXEMPTED FROM VAT

HEADING 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 à 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 exceeding 1%
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
040721	00	000	Other fresh chicken eggs in shells
040729	00	000	Other fresh bird eggs in shells
040790	00	000	Other preserved or cooked bird eggs in shells
100119	00	000	Other durum wheat
100199	00	000	Other meslin
100590	00	000	Other corn
100610	10	000	Rice in husk (paddy rice), seed
100610	90	000	Other rice in husk (paddy rice)
100620	00	000	Husked rice (dehusked rice or brown rice) (deleted)
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
190110	11	000	Preparations for infant feed, cvd ; made from flour, semolina, starch,..., not containing cocoa, ndca
190110	12	000	Preparations for infant feed, made from flour, oatmeal, semolina, starch, ..., containing cocoa less 40% in weight
190110	21	000	Preparation for infant feed, made from 0404 products not containing cocoa powder

190110	22	000	Preparation for infant feed, made from 0401 to 0404 products not containing cocoa powder less than 5% in weight
190510	00	000	Crisp bread even containing cocoa
190590	90	000	Other heading N°1905 products (plain bread, wholemeal bread)
230110	00	000	Flours, meals, pellets, of meat/offal, unfit for human consumption; greaves
230120	00	000	Flours, meals, pellets, of meat/crustaceans, unfit for human consumption
230230	00	000	Bran, sharps and other residues, whether in the form of pellets or not...of wheat treatments
230240	00	000	Bran, sharps and other residues, whether in the form of pellets or not... treatment of other cereals
230250	00	000	Bran, sharps and other residues, ... of legumes treatments
230400	00	000	Seed cakes and other solid residues, even crushed..., from soybean oil extraction
230620	00	000	Seed cakes and other solid residues, from fat/flax seed oil extraction
230630	00	000	Seed cakes and other solid residues, from fat/sunflower seed oil extraction
230641	00	000	Seed cakes and other solid residues..., rape/colza seeds, with low erucic acid seed oil extraction
230649	00	000	Other seed cakes and other solid residues, ...from rape or colza seeds
230650	00	000	Other seed cakes and other solid residues, ...from fat or coconut or copra oil
230690	10	000	Other seed cakes and other solid residues, ...from fat or corn germ oil
230690	90	000	Other seed cakes and other solid residues, ...from fats or vegetable or oils
230990	10	000	Feed mill food preparations, with a concentration of equal or more than 2%
230990	90	000	Other feed mill food preparations
250100	90	100	Raw bulk salts
270900	10	000	Crude petroleum oils
271012	23	000	Kerosene
271113	00	000	Liquefied butanes

293712	00	000	Natural or synthesized insulin and its salts
293920	00	900	Quinine and its salts
294110	00	000	Penicillin and their derivatives, with a penicillanic acid structure ; salts thereof
294120	00	000	Streptomycin and their derivatives ; salts thereof
294130	00	000	Tetracycline and their derivatives ; 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	Dictionaries 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 5×10^{-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
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 DUTY

N° du tarif	Désignation tarifaire
.....
.....
870321 to 870324 870331 to 870333 870390	Private combustion engine vehicles more than 10 (ten) years old
870120 870190 870421 to 870423 870431 to 870432 870490 870210 to 870290	Utility vehicles and road tractors more than 15 (fifteen) years old, exclusive of agricultural tractors
030390 00000	Frozen fish and roes n° 03.03
030520 00000	Fish livers and roes, dried, smoked, salted or in brine

PART IV
DIVERSE TAXES AND DUTIES

CHAPTER I
TAX ON GAMES OF CHANCE AND GAMES OF ENTERTAINMENT

SECTION 206.- A tax shall be paid on proceeds from games of chance and games of entertainment to councils, regardless of the type and activity of the establishment generating such proceeds.

SECTION 208 These provisions shall apply to the following games:

-;
-;
-;
- games organized via mobile phones.

CHAPTER II
TOURIST TAX

SECTION 221 A tourist tax is hereby instituted and based on overnight stays in accommodation facilities classified or not.

The 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 centre managing the accommodation facility no later than the 15th day of the month following that when the transactions were carried out.

SECTION 222.-The tourist tax rate shall be 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.

SECTION 223 .-The tourist tax revenue shall be allocated as follows:

- State: 80%
- council in which the accommodation facility is located: 20%

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.- Subject to international tax treaties, a special tax is hereby instituted on income paid to natural persons or corporate bodies domiciled out of Cameroon, by enterprises or establishments based in Cameroon, the State or regional and local authorities, as:

-
-
- remunerations of all types for public procurement, excluding that for medicines or medical supplies, where the successful bidder is not domiciled in Cameroon.

The rest shall remain unchanged.

SECTION 225 (b). (1) Subject to international tax treaties, the Special Income Tax rates shall be fixed as follows:

- general rate: 15%
- average rate: 10%
- reduced rate: 5%

(2) The general rate of the Special Income Tax shall apply to all remunerations subject to this tax except:

- remunerations for ad hoc material services paid to non-domiciled companies having waived the tax in accordance with the tax returns, subject to the average rate of 10%;

- remunerations under public procurement where the successful bidders are not domiciled in Cameroon, subject to the reduced rate of 5%.

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.

PARTY V **SPECIAL TAXES**

CHAPTER I **SPECIAL TAX ON PETROLEUM PRODUCTS**

SECTION 231 (new).-The rates of the special tax on petroleum products shall be as follows:

- 110 francs per litre of premium grade petrol,
- 65 francs per litre of gas-oil.

SECTION 233 (new).-The special tax on petroleum products shall be deducted at source by the SCDP during removal of products by distributing companies, and by the National Refining Company (SONARA) for its deliveries to natural or legal persons other than distributing 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.

SECTION 235 (new).- The special tax on petroleum products collected by SCDP or SONARA shall be transferred to the relevant Collector of Taxes.

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 into the special account known as "Road Fund", opened in the Bank of Central African States (BEAC).

SECTION 237.- The special tax on petroleum products collected by SCDP, SONARA or payable by the importer of taxable products shall be transferred

monthly no later than the twentieth (20th) day of each month, for transactions carried out during the previous month, on presentation of the tax return made by the taxpayer,

- (2) Deleted.
- (3) Deleted.
- (4) Deleted.

CHAPTER II

PROVISIONS RELATING TO THE MINING SECTOR

SECTION 239 (a).- The rates of mining and water taxes, duties and royalties shall be fixed as follows:

(9) For the mining area royalty:

-
-
-
-
- small-scale mining permit: CFAF 75 000 /km²/year;
- Exploration permit:
 - 1st year: CFAF 5 000 /km²/year
 - 2nd year: CFAF 6 000 /km²/year
 - 3rd year: CFAF 7 000 /km²/year
 - 4th year: : CFAF 14 000 /km²/year
 - 5th year: : CFAF 15 000 /km²/year
 - 6th year: : CFAF 30 000 /km²/year
 - 7th year:-CFAF 31 000 /km²/year
 - 8th year: CFAF 62 000 /km²/year
 - 9th year: CFAF 63 000 /km²/year.

(11) The ad valorem tax shall be fixed as follows:

- Precious stones (diamond, emerald, ruby, sapphire): 8%;
- Precious metals (gold, platinum ...): 5%;
- Basic metals and other mineral substances: 5%;
- Radioactive substances **and** their derivatives: **10%**;
- Geothermal deposits, spring water, mineral and thermomineral water: 800 francs/m³.

SECTION 239 (b). (1).....
.....

However, the ad valorem tax on mineral substances and the corporate tax payable by companies engaged semi-mechanized or 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 reckoning of collections in kind.

The rest shall remain unchanged.

CHAPTER III
FORESTRY TAXES

I- FELLING TAX

SECTION 242: The felling tax shall be calculated on the basis of the FOB value of undressed timber from all logging licences, including community and council forests. The rate shall be 2.5 %.

The rest shall remain unchanged.

II - ANNUAL FORESTRY ROYALTIES

SECTION 243.- Annual forestry royalties shall be assessed on the basis of the area covered by all logging licences, 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.

.....

Annual forestry royalties shall be paid in 3 (three) equal instalments in the following deadlines:

- 15 March for first payment;
- 15 June for second payment;
- 15 September for the third.

.....
.....(Deleted).
.....

.....
The proceeds of annual forestry royalties shall be allocated as follows:

-;
- council of location of the logging licence: 54% of the 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 rest shall remain unchanged.

II- 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 shall be fixed as follows:

- Ayous: CFAF 5 000/m³;
- First grade promotion timber other than Ayous: CFAF 4 000 /m³;
- Second grade promotion timber: CFAF 1 000 /m³.

The rest shall remain unchanged.

B. REGENERATION TAX

SECTION 244 (a).- The rates of the regeneration tax on non-timber forest products and special products shall be fixed as follows:

- Ebony wood (*diospyros crassiflora hier*): CFAF 100/kg
- Pygeum bark (*prunus africana*): CFAF 25 /kg
- Other products: CFAF 10 /kg.

CHAPTER IV

TAX REGIME FOR PUBLIC SERVICES CONCESSIONS

HI- RULES SPECIFIC TO CHARGES

SECTION 254- (1) The concession holder shall be subjected to all the provisions of ordinary law relating to the depreciation of depreciable property.

(4) The concession holder may, over a period of 15 (fifteen) years or the duration of the concession, where such duration is less than fifteen (15) years, pay the entry fee to the conceding authority, if need be.

PART VI
REGISTRATION, STAMP DUTY AND TRUSTEESHIP

SUB-PART II
UNHARMONISED LEGISLATION IN THE CEMAC ZONE

CHAPTER I
REGISTRATION FEE RATES

I- PROPOTIOAL DUTIES

SECTION 543.- The following shall be subject to:

(a) the high rate of 15 %:

-;
-;

The high rate shall be reduced to 10% for built-on estates in urban areas under the official price list.

(b) the intermediate rate of 10 %

-;
-;

The intermediate rate shall be reduced to 5% for urban non-built-on and rural built-on estates under the official price list.

(c) The average rate of 5%:

-;
-;

- public contracts and procurements of less than 5 million, paid from the budget of the State, local and regional authorities, and administrative public establishments or from external funding.

The average rate shall be reduced to 2% for rural non-built-on estates under the official price list.

(d) the reduced rate of 2 %:

-;
-;
-;
-;
-;
-;
-;
-;
- subject to the provisions of Sections 350 and 545, public contracts and procurements of 5 million francs and above, paid from the budget of the State, local and regional authorities and administrative public establishments;
- public contracts and procurements worth less than 5 million francs, paid from the budget of state-owned companies and joint venture companies.

(e) the super reduced rate of 1%:

-;
- public contracts and procurements worth 5 million francs and above, paid from the budget of state-owned companies and joint venture companies.

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

(5) transfer or use of movable or immovable property which is subject to the value added tax;

The rest shall remain unchanged.

V-ADMINISTRATIVE ASSESSMENT

SECTION 546 (a).- (1) Notwithstanding the provisions of Sections 324 and 325 above, the estimate that served as the basis for the levying of the proportional, progressive or degressive 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.

The rest shall remain unchanged.

SUB-PART III

UNHARMONIZED CODE IN THE CEMAC ZONE

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 use in Cameroon.

SECTION 595 The following shall be exempt from stamp duty on motor vehicles:

-;
-;
- administrative vehicles;

The rest shall remain unchanged.

SECTION 597.- Stamp duty on motor vehicles shall be fixed as follows:

- motorcycles 2 000 francs;
- three-wheeled motorcycles 5 000 francs

The rest shall remain unchanged.

SECTION 601-(1).....

(3) 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.

BOOK TWO

MANUAL OF TAX PROCEDURES

SUB-PART I

TAX BASE

SINGLE CHAPTER

OBLIGATIONS OF TAXPAYERS

I- OBLIGATION TO FILE RETURNS

A- GENERAL PRINCIPLE

SECTION M

2:.....
.....

Returns may be filed electronically. In this case, the generated tax assessment notice shall necessarily be presented at the bank as supporting document for the payment of the corresponding taxes and duties.

The rest shall remain unchanged

SECTION III

OBLIGATION TO PAY TAXES

SECTION M 7:.....
.....

Taxes and duties referred to above shall be paid as follows:

-
-

- by bank transfer or electronic means for companies under a specialized management unit, notably the Large Tax Department, Taxation Centres for Medium-Sized Enterprises and specialized taxation centres.

SECTION M 8: (1) Receipts shall be issued for all payments. Such receipts shall be exempt from stamp duty! A duplicate thereof may be issued to the taxpayer who so requests.

(3) The fees payable to financial institutions for transfers of taxes and duties including the issuance of transfer certificate shall necessarily be within the range of CFAF 500 to 10 000. Such costs shall, under no circumstance, exceed an amount equivalent to 10% of the taxes, duties and charges paid.

SUB-PART II
TAX CONTROL

CHAPTER II
RIGHT OF ACCESS

SECTION M 42: Tax officers of at least the rank of tax controller or persons ranking as such shall be entitled to access 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 to obtain information on behalf of a foreign taxation service, without the possibility of objection on grounds of bank secrecy or professional secrecy subject to the provisions of Section M 47 of this Manual.

The rest shall remain unchanged.

SUB-PART III
TAX COLLECTION

CHAPTER IV
DEBT CLEARANCE CERTIFICATE

SECTION M 94 (a):- (1) Any natural person or corporate body liable to a tax, duty or charge, in good standing with the payment of such taxes, duties and charges may, upon request, be issued a debt clearance certificate by the taxation authority. This shall certify that the taxpayer does not owe any tax as at the date of issue.

(2) Notwithstanding the provisions of Section M 94(a)(1) above, the debt clearance certificate may also be issued to a taxpayer who owes a tax debt, where the latter is under a suspension or moratorium of payment duly granted by the competent authorities. In such cases, the tax debt and the nature of the suspensive instrument shall be indicated on the debt clearance certificate.

(3) The debt clearance certificate shall be issued free of charge by the head of the taxation centre where the taxpayer is registered, after verification of the tax situation of the taxpayer with regard to all the taxes and duties payable by the latter. A computerized debt clearance certificate may also be issued as appropriate.

The debt clearance 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, licence, 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 debt clearance certificate. Failure to produce this document shall lead to inadmissibility of the request.

(2) The debt clearance certificate shall serve as tax or non-tax certificate and tax situationslip. It shall be the only valid document in all administrative procedures to prove the tax situation of a taxpayer.

SUB-PART V **TAX DISPUTES**

CHAPTER I **CONTENTIOUS JURISDICTION**

III-PROCEDURE BEFORE THE ADMINISTRATIVE COURT

B- 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.

BOOK THREE
LOCAL FISCAL SYSTEMS

PART II
COUNCIL TAXES

SECTION C 7.- The proceeds of council taxes collected by the State shall come from:

-
-
-
-
-
-
-
-
-
- stamp duty on advertising;
- tourist tax.

CHAPTER I
BUSINESS LICENCES

I- GENEFIAL PROVISIONS

SECTION C 10.- (1) The business licence shall be assessed on the basis of the turnover declared by the taxpayer for the last financial year ended.

(2) The activities listed in Annex II shall, as a matter of right, be liable to the business licence irrespective of their turnover.

(3) **Deleted.**

The rest shall remain unchanged.

III- RATES

SECTION C 13 (new).- (1) The business licence to be paid shall be calculated by applying a rate to the turnover of the last financial year ended, as defined below:

- 0.159% on the turnover of large enterprises, for a minimum contribution of CFAF 5 million and a maximum contribution of CFAF 2.5 billion;
- 0.283% on the turnover of medium-sized enterprises, for a minimum contribution of CFAF 141,500 and CFAF 4 500 000 maximum;
- 0.494% on the turnover of small-sized enterprises, for a minimum contribution of CFAF 50 000 and CFAF 140 000 maximum.

(2) The business licence amount calculated as specified in Section C 13 (new)(1) above shall, in addition to the principal amount, include the local development tax, additional council tax for consular chambers and audio-visual tax. These taxes shall be allocated to each of the beneficiaries in accordance with the rates and procedures fixed by the instruments in force.

VII- OBLIGATIONS OF PERSONS LIABLE

SECTION C 21.- (1) Persons undertaking an activity subjected to the business licence, even in the event of exemption, shall be required to file in written returns thereof to the Taxation Centre with jurisdiction within 15 (fifteen) days following the start of the business.

(4) Every business licence payer shall be required to produce, at the request of the taxation authority, a valid debt clearance certificate.

(5) Deleted.

SECTION C 22.- Deleted.

VIII- ISSUANCE AND PAYMENT OF THE BUSINESS LICENCE

SECTION C 23.- (1) Taxpayers liable to the business licence shall declare and pay their taxes in a lump sum:

-

(2) Deleted

SECTION C 24.- (1) The business tax shall be declared and calculated by the taxpayer on a form provided by the government service or directly online via the e-filing application.

(2) It shall be paid using an assessment bulletin **or a tax notice.**

(3) Deleted.

SECTION C 25.- Deleted.

SECTION C 26.- (1) Enterprises falling within the competence of specialized management units shall pay the business licence through bank transfer in the account of the Collector of Taxes with jurisdiction.

(4) Deleted.

IX- PENALTIES

SECTION C 31.- (1) Deleted.

(2) The rest shall remain unchanged.

CHAPTER IV **PROPERTY TAX**

SECTION C 48.- All proceeds from property tax shall be paid to the council of the place where the property is located.

CHAPTER IX **TOURIST TAX**

SECTION C 52 (b).- Twenty (20) percent of all proceeds from tourist tax shall be paid to the council of the place where the accommodation facility is located.

PART IV **OTHER COUNCIL TAXES**

CHAPTER II **OTHER COUNCIL TAXES** **XVI- COUNCIL STAMP DUTY**

SECTION C 104.(1) The council stamp duty shall be voted by the municipal council for the council budget.

(2) The council stamp duty shall be fixed at CFA 600 francs for the council budget. It shall apply to a document with a format less than or equal to an A4 size page, notably:

-
-
-
-
-
-

(3) Any document exceeding the dimension of the above-mentioned basic format shall be subject to payment of a **CFA 1 000 francs** council stamp duty.

PART VIII
TAX PROCEDURES SPECIFIC TO LOCAL TAXES

CHAPTER V
LOCAL TAX DISPUTES

I - CONTENTIOUS JURISDICTION

SECTION C 138.-(1).....

(2) The claim shall, under pain of inadmissibility, comprise :

-
-
-
- where necessary, a copy of any document which may back the payment of the total amount of the non-objected tax.

(3) Silence by the head of the municipal council for a period of 15 (fifteen) days from the date of receipt of the claim, shall mean tacit rejection and shall open the way for referral to the senior divisional officer, representing the State.

In addition to the items presented to the head of the municipal council referred to in Section C 138(2) above, the claim presented to the senior divisional officer shall, under pain of inadmissibility, include documents supporting the payment of 15% of the objected tax.

CHAPTER IV
OTHER FINANCIAL PROVISIONS

SECTION FOUR:

The proceeds from the sanitary and veterinary inspection tax on the importation of animal and fishery products shall be broken down as follows:

- State: 30%
- Livestock and Maritime Fishing Development Fund: 50%
- Chamber of Agriculture, Livestock, Fisheries and Forests: 20%.

SECTION FIVE:

Conventions and agreements signed by the authorities which provide for customs and tax exemptions and waivers shall, under pain of non-invocability, be subject to prior approval by the Minister in charge of finance.

YAOUNDE, 14 December 2016
PRESIDENT OF THE REPUBLIC
(ed) Paul BIYA

ANNEX 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.

(3) 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	<i>Terminalia ivorensis</i>	44 03 99 16	1115
Kossipo	<i>Entandrophragma candollei</i>	44 03 99 20	1118
Kotibe	<i>Nesogordonia papaverifera</i>	44 03 99 21	1119
Koto	<i>Pterygota macrocarpa</i>	44 03 99 46	1226
Okoumé	<i>Aucoumea klaineana</i>	44 03 34 11	1125
Teck	<i>Tectona grandis</i>	44 03 33 00	1134
Tiama	<i>Entandrophragma angolense</i>	44 03 35 10	1135
		44 03 99 98	
Abale/Abing/Essia	<i>Petersianthus macrocarpus</i>	44 03 99 78	1301
Abura/Bahia	<i>Mitragina stipulosa</i> , <i>M. ciliata</i>	44 03 99 01	1411
Agba/Tola	<i>Gossweilerodendron balsamiferum</i>	44 03 99 36	1137
Aié/Abel	<i>Canarium schweinfurthii</i>	44 03 99 03	1201
Ako/Aloa	<i>Antiaris africana</i>	44 03 99 04	1310
Amvout/Ekong	<i>Trichoscypha acuminata</i> , <i>T. abrorea</i>	44 03 99 67	1419
Asila/Kioro/Omang	<i>Maranthes chrysophylla</i>	44 03 99 59	
Avodiré	<i>Turreaensthus africanus</i>	44 03 99 06	1209
Bodioa	<i>Anopysis kalineana</i>	44 03 99 68	1212
Cordia/Ebe	<i>Cordia platyhyrsa</i>	44 03 99 65	1319
Dabema/Atui	<i>Piptadeniastrum africanum</i>	44 03 99 11	1214
Dambala	<i>Discoglypemma caloneura</i>	44 03 99 88	1434
Diana/Celtis/Odou	<i>Celtis tesmannii</i> , <i>Celtis spp.</i>	44 03 99 58	1322
Ebiara/Abem	<i>Berlinia grandiflora</i> , <i>B. bracteosa</i>	44 03 99 53	1215
Ekaba	<i>Tetraberlinia bifoliata</i>	44 03 99 49	1216
Ekouné	<i>Coelocaryon preussii</i>	44 03 99 89	1333
Emien/Ekouk	<i>Alstonia bonnei</i>	44 03 99 61	1334

Esak	<i>Albizia glaberrima</i>	44 03 99 79	1529
Eseng/Lo	<i>Parkia bicolor</i>	44 03 99 75	1353
Essessang	<i>Ricinodendron heudelotii</i>	44 03 99 80	1449
Esson	<i>Stemonocoleus micranthus</i>	44 03 99 81	1335
Etimoé	<i>Copaifera mildbraedii</i>	44 03 99 82	1217
Evène/Ekop évène	<i>Brachystegia mildbreadii</i>	44 03 99 86	1235
Eveuss/Ngon	<i>Klainedoxa gabonensis</i>	44 03 99 74	1336
Evoula/Vitex	<i>Vitex grandifolia</i>	44 03 99 87	1452
Andoung	<i>Monopetalanthus spp.</i>	44 03 99 05	1204
Angueuk	<i>Ongokea gore</i>	44 03 99 50	1206
Eyek	<i>Pachyelasma tessmannii</i>	44 03 99 71	1231
Eyong	<i>Eribroma oblogum</i>	44 03 99 15	1218
Faro	<i>Daniella oaea, D. kainei</i>	44 03 99 43	1342
Fromager/Ceiba	<i>Ceiba pentandra</i>	44 03 99 17	1344
Gombé/Ekop gombé	<i>Didelotia letouzeyi</i>	44 03 99 54	1221
Latandza/Evoudous	<i>Albizia ferruaillea</i>	44 03 99 57	1345
Ilomba	<i>Pynallthus anaolensis</i>	44 03 35 30	1346
Kanda	<i>Beilschmiedia anacardioides</i>	44 03 99 83	1533
Kapokier/Bombax	<i>Bombax buonopozense</i>	44 03 99 63	1348
Kondroti/Ovonga	<i>Rodognaphalon brevicuspe</i>	44 03 99 84	1492
Kumbi/Ekoa	<i>Lanea welwitschii</i>	44 03 99 73	1458
Landa	<i>Erythroxylum mannii</i>	44 03 99 69	1350
Limba/Frake	<i>Terminalia superba</i>	44 03 35 50	1220
Limbali	<i>Gilbertiodendron dewevrei</i>	44 03 99 56	1227
Lotofa/Nkanang	<i>Sterculia rhinopetala</i>	44 03 99 52	1229
Mambode/Amouk	<i>Detarium macrocarpum</i>	44 03 99 47	1230
Moambé jaune	<i>Enanthia chlorantha</i>	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 hydodendron	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	
<i>Other species to promote</i>		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 hydodendron	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	
<i>Other species to promote</i>		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 licence, 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 licence, 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 licence;

- 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, licences or any other documents exploited by third parties, the concessionaire shall be jointly and severally liable for payment of the felling tax and proceeds from sales 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 licences 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 licences 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 lay down 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 licence to the payment of the graduated surtax.

Section 14 - For sales of standing volume, concessions and licences 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 MAFANYMUSONGE***

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.

D E C R E E S :

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 centre 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, i.e 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;
- Vingt (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 realised 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, ie 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.

**ORDER N°000002/MINFI/DGI/ OF 12 JANUARY 2017
ESTABLISHING THE LIST OF PRIVATE SECTOR COMPANIES, MIXED
COMPANIES, PUBLIC COMPANIES, PUBLIC ADMINISTRATIVE
ESTABLISHMENTS AND LOCAL AND DECENTRALIZED BODIES TO
WITHHOLD AT SOURCE THE VALUE ADDED TAX AND THE
PREPAYMENT ON INCOME TAXES FOR 2017.**

THE MINISTER OF FINANCE

Mindful of the constitution;

Mindful of the General Tax Code;

Mindful of Law N°2015/018 of December 14, 2016 bearing on the Finance Law of the Republic of Cameroon for the 2017 financial year;

Mindful of decree N° 2011/408 of December 9, 2011 organizing the Government;

Mindful of decree N° 2011/410 of December 9, 2011 forming the Government;

Mindful of decree N° 2013/066 of February 28, 2013 organizing the Ministry of Finance;

Mindful of decree N°2015/434 of October 2, 2015 bearing on the reorganization of the Government.

HEREBY ORDERS AS FOLLOWS:

Section 1. - Pursuant to the provisions of sections 21, 92, 92 bis, 143 et 149 of the General Tax Code the following private sector companies, mixed companies, public companies, public administrative establishments and local and decentralized bodies listed in the appendix of this order are entitled to withhold at source the Value Added Tax and prepayments on income tax.

Section 2.- The aforementioned withholdings are carried out during the settlement of suppliers and service providers invoices at the rates of 19.25% for the value added tax and 2,2%, or 5.5% as the case may be with regards to the prepayments on income tax.

Section 3.- The withholdings are carried out regardless of the tax regime of the supplier or service provider.

Section 4.- The remittance of the taxes withheld shall be accompanied by a list of all companies subject to the withholdings.

Section 5.- Failure to withhold at source or repay in due time, shall be sanctioned in accordance with the provisions of the Manual of Tax Procedures of the General Tax Code.

Section 6.- Any compensation between sums withheld at source and taxes owed by the collector is prohibited.

Section 7.- Local and decentralized bodies, public administrative establishments and companies listed in the appendix are exempted from withholdings at source on billings made on their mutual benefit.

Section 8.- The act constituting liability and the liability for withholding at source are those provided for in the General Tax Code.

Section 9.- Companies authorized to withhold at source are required to pay the sums withheld into the public treasury on or before the 15th of the month following that in which the withholding is executed.

Section 10. - In the case of nonpayment of taxes withheld, as stipulated in section 9 above, forceful collection measures provided for in the General Tax Code shall immediately be implemented against the offenders, without prejudice of the application of section 11 below.

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 are each to 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.

Done in Yaoundé, on 12 January 2017

THE MINISTER OF FINANCE
(ed) Alamine Ousmane Mey

APPENDIX I
LIST OF PRIVATE COMPANIES AUTHORIZED TO WITHHOLD
TAXES AT SOURCE FOR 2017

N°	RAISON SOCIALE	SIGLE	BP	LOCALISATION
1.	ACHANYI AND SONS	ACHANYI AND SONS	502	KUMBA
2.	ACTIVA ASSURANCES	ACTIVA ASSURANCES	12970	DOUALA
3.	AFRILAND FIRST BANK	AFRILAND FIRST BANK	11834	YAOUNDE
4.	ALIOS FINANCE SA	SOCCA (ALIOS FINANCE CMR)	2552	DOUALA
5.	ALLIANZ CAMEROUN ASSURANCES	ALLIANZ ASSURANCES	105	DOUALA
6.	ALPICAM	ALPICAM	2130	DOUALA
7.	ALPICAM INDUSTRIE	ALPICAM INDUSTRIE	2130	DOUALA
8.	ARAB CONTRACTORS CAMEROUN	ARAB CONTRACTORS	14717	YAOUNDE
9.	GROUPE ARNO	ARNO	664	DOUALA
10.	AXA ASSURANCES	AXA ASSURANCES	4068	DOUALA
11.	AZUR S.A	AZUR	378	DOUALA
12.	BANQUE ATLANTIQUE CAMEROUN	BANQUE ATLANTIQUE	3791	DOUALA
13.	BAT CAMEROUN	BAT CAMEROUN	94	YAOUNDE
14.	BGFI BANK CAMEROUN	BGFI BANK	660	DOUALA
15.	BOCOM PETROLEUM	BOCOM	12262	DOUALA
16.	BOISSONS, VINS, SPIRITUEUX	BVS SAS	4036	DOUALA
17.	BOLLORE AFRICA LOGISTICS CAMEROUN	BOLLORE AFRICA LOGISTICS	320	DOUALA
18.	BUN'S	BUN'S	13717	YAOUNDE
19.	CAFECO	CAFECO	599	NGUTI
20.	CAMACO	CAMACO	47	KUMBA
21.	CAMOCO SARL	CAMOCO	240	FOUMBOT
22.	CAMEROON MOTORS INDUSTRIES	CAMI	1217	DOUALA
23.	CAMEROON UNITED FOREST	CAMEROON UNITED FOREST	15181	DOUALA
24.	COMPAGNIE AFRICAINE DE TRANSPORT CAMEROUN	CAT CN	4385	DOUALA
25.	CBC	CBC	4004	DOUALA
26.	CFAO EQUIPMENT	CFAO EQUIPMENT	4080	DOUALA
27.	CFAO TECHNOLOGIES	CFAO TECHNOLOGIES	12937	DOUALA

28.	CHANAS ASSURANCE	CHANAS ASSURANCE	109	DOUALA
29.	CHAUDRONNERIE, MONTAGE, TUYAUTERIE, SOUDURE	CMTS	12956	DOUALA
30.	CHINA COMMUNICATION CONSTR COMP CAM	CCCCC	6532	DOUALA
31.	CHINA FIRST HIGHWAY ENGINEERING COMPANY	CFHECC	6532	MBANGA
32.	CHINA INTER WATER & ELECTRIC CORPORATION	CWE	7761	YAOUNDE
33.	CHINA ROAD AND BRIDGE CORPORATION	CRBC CO	6532	NYALLA
34.	CHOCOCAM	CHOCOCAM	275	DOUALA
35.	CIE D'OPERATIONS PETROLIERE SCHLUMBERGER	COPS- SCHLUMBERGER	5399	DOUALA
36.	CIFM	CIFM	394	DOUALA
37.	CIMAF CAMEROUN S.A	CIMAF	9457	DOUALA
38.	CITI BANK NA CAMEROUN	CITI BANK NA CAM	4571	DOUALA
39.	COMPAGNIE DE COMMERCE ET DE TRANSPORT	C.C.T EXPORT	5908	DOUALA
40.	COMPAGNIE DE TRAITEMENT ET D'EXPORTATION	COTEC	5134	DOUALA
41.	COMPAGNIE FORESTIERE DE KRIBI	CFK	53	KRIBI
42.	COMPAGNIE FORESTIERE DE L'EST	CFE	442	BERTOUA
43.	COMPAGNIE FORESTIERE DU CAMEROUN	CFC	3139	DOUALA
44.	COMPAGNIE INDUSTRIELLE DU BOIS DU CAM	CIBC	3139	DOUALA
45.	CONFEX-OIL CAMEROUN	CONFEXOIL	8228	YAOUNDE
46.	CONGELCAM	CONGELCAM	7180	YAOUNDE
47.	CONSTRUCCIONES GALDIANO SUCC CAMEROUN	CONSTRUCCIONES GALDIANO	490	DOUALA
48.	CORLAY CAMEROUN SA	CORLAY CAMEROUN	214	DOUALA
49.	COTCO	COTCO	3738	DOUALA
50.	DANGOTE CAMEROUN INDUSTRIES	DANGOTE	4839	DEIDO
51.	DELTA TRANSPORT	DELTA TRANSPORT	171	DOUALA
52.	DOUALA INTERNATIONAL TERMINAL CAMEROUN	DIT CAMEROUN	3945	DOUALA
53.	ECAM PLACAGE	ECAM PLACAGE	76	MBALMAYO
54.	ECOBANK CAMEROUN	ECOBANK CAMEROUN	582	DOUALA
55.	ENTREPRISE NOUVELLE D'ELECTRO-MECANIQUE	ENEM	3489	DOUALA
56.	ESER CONTRACTING & INDUSTRY	ESER CONTRACTING	6650	BASTOS
57.	ETS NDONGO ESSOMBA	ETS NDONGO ESSOMBA	4425	YAOUNDE
58.	EXPLOITATION FORESTIERE MIGUEL KHOURY	EFMK	3181	DOUALA
59.	FABRIQUE CAMEROUNAISE DE PARQUET	FIPCAM	7479	YAOUNDE

60.	FAKOCO SARL	FAKOCO SARL	181	DOUALA
61.	FRIEDLANDER CAMEROUN	FRIEDLANDER CAMEROUN	5731	DOUALA
62.	GETMA CAMEROUN SA	GETMA CAMEROUN SA	4144	DOUALA
63.	GLOBAL SERVICES SARL	GLOBAL SERVICE	413	DOUALA
64.	GRACOVIR INTERNATIONAL	GRACOVIR	14079	YAOUNDE
65.	GREEN OIL	GREEN OIL	8228	YAOUNDE
66.	GREEN VALLEY, INC	GREEN VALLEY	1605	DOUALA
67.	GRUMCAM	GRUMCAM	1959	DOUALA
68.	GUINNESS CAMEROUN	GUINNESS CAMEROUN	8149	DOUALA
69.	GULF OF GUINEA INVEST SHIPPING & TRADING	GULFIN S&T CO	3876	DOUALA
70.	HORIZON PHYTO PLUS	HPP	2131	DOUALA
71.	HUAWEI TECHNOLOGIES COMPANY CAMEROON	HUAWEI TECHNOLOGIES	4427	YAOUNDE
72.	HYSACAM	HYSACAM	1420	DOUALA
73.	IHS CAMEROUN	IHS CAMEROON	1245	DOUALA
74.	INTERIMA	INTERIMA	12418	DOUALA
75.	JIANSTU TRANSPORTATION ENG GROUP CAM	JTEGC	2534	DOUALA
76.	JUSTAWE BOIS	JUSTAWE	12287	YAOUNDE
77.	LA FILIERE BOIS	LA FILIERE BOIS	924	DOUALA
78.	LES BATISSEURS REUNIS	LES BATISSEURS REUNIS	5908	DOUALA
79.	LES LABORATOIRES BIOPHARMA SA	BIOPHARMA	1674	DOUALA
80.	LIBYA OIL CAMEROUN	LIBYA OIL CAMEROUN	4058	DOUALA
81.	LOUIS DREYFUS COMMODITIES CAMEROUN	LDC CAMEROUN	2368	DOUALA
82.	LOXEA	LOXEA	4853	DOUALA
83.	MAERSK LINE CAMEROUN SA	MAERSK	12414	DOUALA
84.	MEDCEM Cameroun SA	MEDCEM	6787	DOUALA
85.	METROPOLITAN PLASTICS SA	MPL	398	LIMBE
86.	MOVIS CAMEROUN	MOVIS CAMEROUN	284	DOUALA
87.	MOBILE TELECOMMUNICATIONS NETWORKS	MTN	15574	DOUALA
88.	MULTIPRINT SA	MILTIPRINT	5238	DOUALA
89.	NAKIRA-KAM SARL	NAKIRA-KAM SARL	15175	DOUALA
90.	NATIONAL FINANCIAL CREDIT BANK SA	NFC BANK	6578	YAOUNDE
91.	NEPTUNE OIL	NEPTUNE	4760	BONANJO
92.	NOUVELLES TECHNOLOGIES INDUSTRIELLES DU CAM	NOTICAM SA	11645	DOUALA

93.	NESTLE CAMEROUN	NESTLE CAMEROUN	1154	DOUALA
94.	OLAM CAM SARL	OLAM CAM SARL	5207	DOUALA
95.	ORANGE CAMEROUN	ORANGE	1864	DOUALA
96.	PALLISCO	PALLISCO	394	DOUALA
97.	PAMOL PLANTATION LTD	PAMOL	3	EKONDO TITI
98.	PETROLEX SA	PETROLEX	8221	DOUALA
99.	PLACAM	PLACAM	1686	DOUALA
100.	PLANTATIONS DU HAUT PENDJA	PHP	5	PENDJA
101.	PMUC	PMUC	15375	YAOUNDE
102.	RAZEL CAMEROUN	RAZEL CAMEROUN	11306	YAOUNDE
103.	ROUTE D'AFRIQUE	ROUTD'AF	12117	DOUALA
104.	SABM	SABM	3181	DOUALA
105.	SAVONS OLEAGINEUX ET COSMETIQUES CAMER	S.O.C CAMEROUN SARL	636	BAFOUSSAM
106.	SCIERIE DU MBAM ET KIM	SCIERIE DU MBAM ET KIM	1775	DOUALA
107.	SCR MAYA	SCR MAYA	2851	DOUALA
108.	SEBAC	SEBAC	942	DOUALA
109.	SEBC	SEBC		DOUALA
110.	SEEF	SEEF	5322	DOUALA
111.	SEFAC	SEFAC	942	DOUALA
112.	SEFECCAM	SEFECAM	661	DOUALA
113.	Société Forestière et Industrielle de la LOUKOUNDJE	SFIL	1605	DOUALA
114.	SIAC ISENBECK SA	SIAC ISENBECK	12443	DOUALA
115.	SIC CACAO	SIC CACAO	570	DOUALA
116.	SIENCAM	SIENCAM	422	KUMBA
117.	SINOHYDRO CORPORA- TION LTD	SINOHYDRO	7179	YAOUNDE
118.	SN COCAM	SN COCAM	3181	DOUALA
119.	SOCAPALM	SOCAPALM	691	DOUALA
120.	SOCATAM SA	SOCATAM	3941	DOUALA
121.	SOCATRAL	SOCATRAL	291	EDEA
122.	SOCAVER	SOCAVER	1456	DOUALA
123.	SOCIETE AFRICAINE DE FABRICATION DES CA- HIERS	SAFCA	912	DOUALA
124.	SOCIETE CAMEROUNAISE DE SAVONNERIE	SCS	29	BAFOUSSAM
125.	SOCIETE DE TRANSPORT ET DE COMMERCE	STC SARL	15012	DOUALA

126.	SOCIETE DINO ET FILS	DINO ET FILS JDF	12287	SOA
127.	SOGEA SATOM CAMEROUN	SOGEA SATOM CAMEROUN	5680	DOUALA
128.	SOROUBAT	SOROUBAT	13227	DOUALA
129.	SOURCE DU PAYS S.A	SOURCE DU PAYS	84	MUYUKA
130.	SPEED APPRO	SPEED APPRO	1923	DOUALA
131.	STANDARD CHARTERED BANK	STANDARD CHARTERED BANK	1784	DOUALA
132.	STBK MAKAMDOP J.	STBK	38	BATOURI
133.	STE AFRICAINE DE BOIS	SAB	2064	DOUALA
134.	STE CAM DE TRANSFORMATION DU BOIS	SCTB	695	YAOUNDE
135.	STE DE TRANSFORMATION DU BOIS ET DE COMMERCE	STBC		DOUALA
136.	STE CAM INDUST D'EXPLOITATION DU BOIS	SCIEB	15096	YAOUNDE
137.	STE CAMEROUNAISE DE FAB DES LUBRIFIANTS	SCEFL		DOUALA
138.	STE D'APPROVISIONNEMENT ET DE MAINT INDUST	SAMIN	12424	DOUALA
139.	STE DES EAUX MINERALES DU CAMEROUN	SEMC	4036	DOUALA
140.	STE FORESTIERE DU HAUT NYONG SARL	SOFOHNY	12998	YAOUNDE
141.	STE DES PALMERAIES DE LA FERME SUISSE	SPFS	6	EDEA
142.	STE D'EXPL DES PARCS A BOIS DU CAMEROUN	SEPBC	1344	DOUALA
143.	STE DU LITTORAL POUR EXPLOITATION	SOLET	914	DOUALA
144.	STE INDUST ET FOREST DE LA DOUME SFID SA	SFID SA	1343	DOUALA
145.	STE INDUSTRIELLE DE MBANG SA	SIM SA	2644	YAOUNDE
146.	SUC SOGEA/SATOM - CAMEROUN	SUC SOGEA/SATOM - CAM	12153	DOUALA
147.	SUD CAMEROUN HEVEA	SUD CAMEROUN HEVEA	382	YAOUNDE
148.	TELCAR COCOA LIMITED	TELCAR COCOA LIMITED	887	DOUALA
149.	TERMINAL MIXTE FUTIER DE DOUALA	TMFD	5241	DOUALA
150.	TOTAL CAMEROUN S A	TOTAL CAMEROUN S A	4048	DOUALA
151.	TRACTAFRIC EQUIPMENT CAMEROUN	TRACTAFRIC EQUIPMENT	4017	DOUALA
152.	TRACTAFRIC MOTORS SA	TRACTAFRIC MOTORS SA	4181	DOUALA
153.	TRADEX	TRADEX	1468	DOUALA
154.	TRANSPORT JEAN KHOURY	TJK	3181	DOUALA
155.	TRANSPORT J. P. JAVOU-REZ SA	TJ	4410	DOUALA
156.	TRAVAUX SOUS MARINS DU CAMEROUN	TSMC	897	DOUALA
157.	UCB	UCB	638	DOUALA

158.	UNION TRADING INTERNATIONAL	UTI	5327	DOUALA
159.	UNITED BANK FOR AFRICA	UBA	2088	DOUALA
160.	UNITED TRANSPORT AFRICA	UTA	1912	DOUALA
161.	VIETTEL	VIETTEL		DOUALA

APPENDIX II

LIST OF PUBLIC SECTOR COMPANIES AUTHORIZED TO WITHHOLD TAXES AT SOURCE FOR 2017

	RAISON SOCIALE	SIGLE
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 WATER UTILITIES CORPORATION	CAMWATER
8.	CAMEROON TELECOMMUNICATIONS	CAMTEL
9.	CAMEROUN POSTAL SERVICES	CAMPOST
10.	CAMEROUN RADIO AND TELEVISION	CRTV
11.	CREDIT FONCIER DU CAMEROUN	CFC
12.	FONDS SEMENCIER	FONDS SEMENCIER
13.	HOTEL SAWA	HOTEL SAWA
14.	LABORATOIRE NATIONAL DE GENIE CIVIL	LABOGENIE
15.	MEKIN HYDROELECTRIQUE DEVELOPMENT CORPORATION	MEKIN
16.	MISSION D'AMENAGEMENT ET DE GESTION DES ZONES INDUSTRIELLES	MAGZI
17.	MISSION D'AMENAGEMENT ET D'EQUIPEMENT DES TERRAINS URBAINS ET RURAUX	MAETUR
18.	SOCIETE CAMEROUNAISE DES DEPOTS PETROLIERS	SCDP
19.	SOCIETE D'EXPANSION ET DE MODERNISATION DE LA RIZICULTURE DE YAGOUA	SEMRY
20.	SOCIETE DE DEVELOPPEMENT ET D'EXPLOITATION DES PRODUCTIONS ANIMALES	SODEPA
21.	SOCIETE DE RECOUVREMENT DES CREANCES DU CAMEROUN	SRC
22.	SOCIETE NATIONALE D'INVESTISSEMENT	SNI

23.	SOCIETE NATIONALE DES HYDROCARBURES	SNH
24.	SOCIETE SUCRIERE DU CAMEROUN	SOCUCAM

APPENDIX III

**LIST OF MIXED ECONOMY COMPANIES AUTHORIZED TO WITHHOLD TAXES
AT SOURCES FOR 2017**

N°	RAISON SOCIALE	SIGLE
1.	ALUBASSA	ALUBASSA
2.	ALUCAM	ALUCAM
3.	BANQUE INTERNATIONALE POUR L'EPARGNE ET LE CREDIT	BICEC
4.	CAMEROUN RAILWAYS	CAMRAIL
5.	CHANTIER NAVAL ET INDUSTRIEL DU CAMEROUN	CNIC
6.	CIMENTERIES DU CAMEROUN	CIMENCAM
7.	COTONNERIE INDUSTRIELLE DU CAMEROUN	CICAM
8.	DIBAMBA POWER DEVELOPMENT COMPANY	DPDC
9.	ENEO CAMEROON SA	ENEO
10.	HEVEA DU CAMEROUN	HEVECAM
11.	HOTEL HILTON	HILTON
12.	KRIBI POWER DEVELOPMENT COMPANY	KPDC
13.	LA CAMEROUNAISE DES EAUX	CDE
14.	PAMOL PLANTATIONS	PAMOL
15.	PORT AUTONOME DOUALA	PAD
16.	SOCIETE FORESTIERE ET AGRICOLE DU CAMEROUN	SAFACAM
17.	SOCIETE GENERALE DU CAMEROUN	SGC
18.	SOCIETE CAMEROUNAISE DE BANQUE-CREDIT AGRICOLE	SCB-CA
19.	SOCIETE ANONYME DES BRASSERIES DU CAMEROUN	SABC
20.	SOCIETE DE DEVELOPPEMENT DU COTON	SODECOTON
21.	SOCIETE NATIONALE DE RAFFINAGE	SONARA

APPENDIX IV

LIST OF PUBLIC ADMINISTRATIVE ESTABLISHMENTS AUTHORIZED TO WITHHOLD TAXES AT SOURCES FOR 2017

	RAISON SOCIALE	SIGLE
1.	AGENCE D'ELECTRIFICATION RURALE	AER
2.	AGENCE DE REGULATION DES MARCHES PUBLICS	ARMP
3.	AGENCE DE REGULATION DES TELECOMMUNICATIONS	ART
4.	AGENCE DE REGULATION DU SECTEUR D'ELECTRICITE	ARSEL
5.	AGENCE DE PROMOTION DES INVESTISSEMENTS	API
6.	AGENCE DE PROMOTION DE PETITES ET MOYENNES ENTREPRISES	APPME
7.	AGENCE DES NORMES ET DE QUALITE	ANOR
8.	AGENCE NATIONAL D'APPUI AU DEVELOPPEMENT FORESTIER	ANAFOR
9.	AGENCE NATIONALE D'INVESTIGATION FINANCIERE	ANIF
10.	AGENCE NATIONALE DE RADIO PROTECTION	ANRP
11.	AGENCE NATIONALE DES TECHNOLOGIES DE L'INFORMATION ET DE LA COMMUNICATION	ANTIC
12.	AGENCE DU SERVICE CIVIQUE NATIONAL DE PARTICIPATION AU DEVELOPPEMENT	ASCNPD
13.	ALLIANCE FRANCO-CAMEROUNAISE	AFC
14.	ASSEMBLEE NATIONALE	AN
15.	AUTORITE PORTUAIRE NATIONALE	APN
16.	BUREAU CENTRAL DE RECENSEMENTS ET DES ETUDES DE LA POPULATION	BUCREP
17.	BUREAU DE MISE A NIVEAU DES ENTREPRISES	BMN
18.	CADRE D'APPUI ET DE PROMOTION DE L'ARTISANAT MINIER	CAPAM
19.	CAMEROON GENERAL CERTIFICATE OF EDUCATION BOARD	CBCEB
20.	CAISSE AUTONOME D'AMORTISSEMENT	CAA
21.	CAISSE DE DEVELOPPEMENT DE L'ELEVAGE DU NORD	CDEN
22.	CAISSE DE STABILISATION DES PRIX DES HYDROCARBURES	CSPH
23.	CAISSE NATIONALE DE PREVOYANCE SOCIALE	CNPS
24.	CAMEROON CIVIL AVIATION AUTHORITY	CCAA
25.	CAMEROON OIC	OIC
26.	CAPP-EST	CAPP-EST
27.	CELLULE D'EXECUTION DU PROJET D'AMENAGEMENT DE YAOUNDE	CEP PADY2
28.	CENTRE D'APPROVISIONNEMENT PHARMACEUTIQUE REGIONAL DU NORD	CAPRN
29.	CENTRE HOSPITALIER DE RECHERCHE ET D'APPLICATION EN CHIRURGIE ENDOSCOPIQUE ET DE REPRODUCTION HUMAINE	CHRACERH
30.	CENTRE INTERNATIONAL DE REFERENCE CHANTAL BIYA	CIRCB
31.	CENTRE DE FORMATION AGRICOLE DE NKONJOCK	CFAN
32.	CENTRE HOSPITALIER D'ESSOS	CHE
33.	CENTRE HOSPITALIER UNIVERSITAIRE DE YAOUNDE	CHUY
34.	CENTRE NATIONAL D'ETUDES ET D'EXEREMENTATION DU MACHINISME AGRICOLE	CENEEMA

35.	CENTRE NATIONAL D'APPROVISIONNEMENT EN MEDICAMENTS CONSOMMABLES ESSENTIELS	CENAME
36.	CENTRE NATIONAL DE L'EDUCATION	CNE
37.	CENTRE NATIONAL DE REHABILITATION DES PERSONNES HANDICAPEES CARDINAL PAUL EMILE LEGER	CNRPH
38.	CENTRE PASTEUR DU CAMEROUN (ET ANNEXES)	CPC
39.	CHAMBRE D'AGRICULTURE DE L'ELEVAGE DES PECHEES ET DES FORETS	CAPEF
40.	CHAMBRE DE COMMERCE D'INDUSTRIE, DES MINES ET DE L'ARTISANAT	CCIMA
41.	CENTRES D'APPUI A LA REALISATION DES CONTRATS DE PARTENARIAT	CARPA
42.	COMITE CONSULTATIF DE SUIVI PAYS PAUVRES TRES ENDETTEES	CCS/SPPTE
43.	COMITE DE COMPETITIVITE ET DE SUIVI SECRETARIAT TECHNIQUE	COCOM
44.	COMITE DE SUIVI DU PROJET HYDROELECTRIQUE MEMVE'ELE	CAPM
45.	COMITE NATIONAL DE LUTTE CONTRE LE SIDA	CNLS
46.	COMITE TECHNIQUE DE SUIVI DES PROGRAMMES ECONOMIQUES	CTSPE
47.	COMMISSION NATIONALE ANTI CORRUPTION	CONAC
48.	COMMISSION NATIONALE DES DROITS DE L'HOMME ET DES LIBERTES	CNDHL
49.	COMMISSION TECHNIQUE DE PRIVATISATION ET DE LIQUIDATION	CTPL
50.	COMMISSION TECHNIQUE DE REHABILITATION DES ENTREPRISES PUBLIQUES ET PARAPUBLIQUES	CTR
51.	CONSEIL ECONOMIQUE ET SOCIAL	CES
52.	CONSEIL NATIONAL DE LA COMMUNICATION	CNC
53.	CONSEIL NATIONAL DES CHARGEURS DU CAMEROUN	CNCC
54.	CRBP/CARBA- NJOMBE	CRBP/CARBA
55.	ECOLE NATIONALE D'ADMINISTRATION	ENAM
56.	ECOLE DE FAUNE DE GAROUA	EF
57.	ECOLE DES TRAVAUX PUBLICS (ET SES ANNEXES)	ETP
58.	ECOLE NATIONAL SUPERIEURE DE POLICE ET DES CIAP	ENSP
59.	ECOLE NATIONALE DES POSTES (ET ANNEXES)	ENP
60.	ELECTIONS CAMEROON	ELECAM
61.	FONDS D'AIDE ET DE GARANTIE AUX PETITES ET MOYENNES ENTREPRISES	FOGAPE
62.	FONDS DE DEVELOPPEMENT DES FILIERES CACAO CAFE	FODECC
63.	FONDS NATIONALE DE L'EMPLOI (ET ANNEXES)	FNE
64.	FONDS ROUTIER	FR
65.	FONDS SEMENCIER	FS
66.	FONDS SPECIAL D'EQUIPEMENT ET D'INTERVENTION INTERCOMMUNALE ET SES DEMEMBREMENTS	FEICOM
67.	FONDS SPECIAL DE DEVELOPPEMENT FORESTIER	FSDF
68.	GRASS FIELD PARTICIPATORY RURAL DEVELOPMENT PROJECT	GP-DERUDEP
69.	HOPITAL GENERAL DE DOUALA	HGD
70.	HOPITAL GENERAL DE YAOUNDE	HGY
71.	HOPITAL CENTRAL DE YAOUNDE	HCY
72.	HOPITAL GYNECO-OBSTERIQUE ET PEDIATRIQUE DE YAOUNDE	HGOY
73.	HOPITAL GYNECO-OBSTERIQUE ET PEDIATRIQUE DE DOUALA	HGOD

74.	HOPITAL JAMOT DE YAOUNDE	HJY
75.	HOPITAL REGIONAL DE BAFUSSAM	HRB
76.	HOPITAL REGIONAL D'EDEA	HRE
77.	HOPITAL REGIONAL DE BERTOUA	HRBTA
78.	HOPITAL REGIONAL DU NORD	HRN
79.	IFORD	IFORD
80.	INSTITUT AFRICAIN DE L'INFORMATIQUE	IAI
81.	INSTITUT DE RECHERCHE AGRICOLE ET DE DEVELOPPEMENT (ET ANNEXES)	IRAD
82.	INSTITUT DE RECHERCHE GEOLOGIQUE ET MINIERE	IRGM
83.	INSTITUT DE RECHERCHE MEDICALE ET D'ETUDES DES PLANTES MEDICINALES	IMPM
84.	INSTITUT DE SCIENCES HALIEUTIQUES DE YABASSI	ISHY
85.	INSTITUT DES RELATIONS INTERNATIONALES DU CAMEROUN	IRIC
86.	INSTITUT DES SCIENCES HALIEUTIQUES	ISH
87.	INSTITUT NATIONAL DE LA STATISTIQUE	INS
88.	INSTITUT SUPERIEUR DE MANAGEMENT PUBLIC	ISMP
89.	INSTITUT NATIONAL DE CARTOGRAPHIE	INC
90.	LABORATOIRE NATIONAL DE CONTROLE DE QUALITE DES MEDICAMENTS ET D'EXPERTISE	LANACOME
91.	LABORATOIRE NATIONAL VETERINAIRE	LANAVET
92.	LATEX PLANT PROGRAMME	LPP
93.	LIMBE PORT AUTHORITY	LPA
94.	CENTRE DE FORMATION DES ADMINISTRATEURS MUNICIPAUX	CEFAM
95.	MISSION D'ETUDE ET D'AMENAGEMENT DE L'OCEAN	MEAO
96.	MISSION D'ETUDE POUR L'AMENAGEMENT ET LE DEVELOPPEMENT DE LA PROVINCE DU NORD	MEADEN
97.	MISSION DE DEVELOPPEMENT DE LA PECHE ARTISANLE MARITIME	MIDEPECAM
98.	MISSION DE DEVELOPPEMENT INTEGRE DES MONTS MANDARA	MIDIMA
99.	MISSION DE PROMOTION DES MATERIAUX LOCAUX	MIPROMALO
100.	NATIONAL ADVANCE SCHOOL OF PENITENTIARY ADMISTRATION BUEA	ASP
101.	NATIONAL PRINTING PRESS ANNEX BUEA	NPP
102.	NORTH WEST DEVELOPMENT AUTHORITY	NOWEDA
103.	NORTH WEST LIVESTOCK DEVELOPMENT PROJECT	CDENO
104.	NORTH WEST RURAL DEVELOPMENT PROJECT	NWRDP
105.	OFFICE CEREALIER	OC
106.	OFFICE DU BACCALEAUREAT DU CAMEROUN	OBC
107.	OFFICE NATIONAL DE ZONES FRANCHES INDUSTRIELLES	ONZFI
108.	OFFICE NATIONAL DU CACAO ET DU CAFFE	ONCC
109.	PAN-AFRICAN INSTITUTE FOR DEVELOPMENT	PAN-AFRIQUE
110.	PARLIAMENTARIAN FLATS HOTEL	PFH
111.	PROGRAMME D'AMELIORATION DE LA COMPETITIVITE AGRICOLE	PACA
112.	PROGRAMME D'AMELIORATION DE LA COMPETITIVITE DES EXPLOITATIONS FAMILIALES AGRICOLES	ACEFA

113.	PROGRAMME D'AMELIORATION DE LA PRODUCTIVITE AGRICOLE	PAPA
114.	PROGRAMME D'APPUI A LA COMPOSANTE TECHNOLOGIQUE	PRO-ACTP
115.	PROGRAMME D'APPUI A LA CREATION ET AU DEVELOPPEMENT DES PME DE TRANSFORMATION ET DE CONSERVATION DES PRODUITS LOCAUX DE MASSE	PACD/PME
116.	PROGRAMME D'APPUI A LA REFORME DES FINANCES PUBLIQUES	PARFIP
117.	PROGRAMME D'APPUI A LA RENOVATION ET AU DEVELOPPEMENT DE LA FORMATION PROFESSIONNELLE DANS LES SECTEURS DE L'AGRICULTURE, DE L'ELEVAGE ET DES PECHEES	C2D/AFOP
118.	PROGRAMME D'APPUI ET DE SOUTIEN A L'ACCORD DE PARTENARIAT ECONOMIQUE	PASAPE
119.	PROGRAMME DE DEVELOPPEMENT ET DE VALORISATION DES RACINES, DES TUBERCULES ET DU PLANTAIN	PDVRTP
120.	PROGRAMME ECONOMIQUE D'AMENAGEMENT DU TERRITOIRE POUR LA PROMOTION DES ENTREPRISES MOYENNES ET DE GRANDE IMPORTANCE DANS LE SECTEUR RURAL AU CAMEROUN	AGROPOLES
121.	PROGRAMME DE DEVELOPPEMENT DE LA FILIERE PORCINE	PDFP
122.	PROGRAMME DE DEVELOPPEMENT DES PALMERAIES VILLAGEOISES	PDPV
123.	PROGRAMME DE REFORME DES FINANCES PUBLIQUES	PSSF
124.	PROGRAMME DE REFORME DU SOUS-SECTEUR ENGRAIS	PR SSE
125.	PROGRAMME NATIONAL DE DEVELOPPEMENT PARTICIPATIF	PNDP
126.	PROGRAMME NATIONAL DE LA SECURITE ALIMENTAIRE	PNSA
127.	PROGRAMME NATIONAL DE VULGARISATION ET DE RECHERCHE AGRICOLES	PNVRA
128.	PROJET -CDC/PEP/FAR/MOU/DFA-CRC	CRESP
129.	PROJET D'APPUI A LA MODERNISATION DU CADASTRE ET DU CLIMAT DES AFFAIRES	PAMOCCA
130.	PROJET D'APPUI AU DEVELOPPEMENT DE LA MICROFINANCE RURALE	PADMIR
131.	PROJET D'APPUI AU DEVELOPPEMENT DES FILIERES AGRICOLES	PADFA
132.	PROJET D'APPUI AU DEVELOPPEMENT ET DE LA PRODUCTION LAITIERE	PADPL
133.	PROJET D'APPUI AUX ELEVAGES NON CONVENTIONNELS	PAPENOC
134.	PROJET D'ELEVAGE DES AULACODES AU CAMEROUN	PEAC
135.	PROJET DE DEVELOPPEMENT DU SECTEUR DE L'ENERGIE	PDS EN-AER
136.	PROJET EDUCATION II	PE II
137.	PROJET FER DE MBALLAM	Projet Fer de MBALLAM
138.	PROJET NGOYLA MINTOM MINFOF-GEF	PROJET MINFOF-GEF
139.	PROJET PORT EN EAU PROFONDE DE KRIBI	PEPK
140.	PROJET PTME-DSF-CDC	PPDC
141.	PROJET SEMENCIER CACAO-CAFE	PSCC
142.	RUMPI PROJECT	RUMPI
143.	SECRETARIAT NATIONAL PERMANENT DU PROCESSUS DE KIMBERLEY	KIMBERLEY PROCESS
144.	SOUTH WEST DEVELOPMENT AUTHORITY	SOWEDA
145.	UNITE DE TRAITEMENT AGRICOLE PAR VOIES AERIENNES	UTAVA
146.	UNIVERSITE DE DOUALA ET SES DEMEMBREMENTS	UDLA
147.	UNIVERSITE DE DSCHANG ET SES DEMEMBREMENTS	UDS
148.	UNIVERSITE DE MAROUA ET SES DEMEMBREMENTS	UM

149.	UNIVERSITE DE YAOUNDE I ET SES DEMEMBREMENTS	UYI
150.	UNIVERSITE DE YAOUNDE II ET SES DEMEMBREMENTS	UYII
151.	UNIVERSITEDE BAMENDA ET SES DEMEMBREMENTS	UBA
152.	UNIVERSITE DE BUEA ET SES DEMEMBREMENTS	UB
153.	UNIVERSITE DE NGAOUNDERE ET SES DEMEMBREMENTS	UN
154.	UNIVERSITE DES MONTAGNES	UDM
155.	UPPERNOUN VALLEY AUTHORITY	UNVDA

APPENDIX V

**LIST OF DECENTRALIZED BODIES AUTHORIZED TO WITHHOLD
TAXES AT SOURCE FOR 2017**

REGION DE L'ADAMAOUA	
DEPARTEMENT DU DJEREM	
1)	COMMUNE DE NGAOUNDAL
2)	COMMUNE DE TIBATI
DEPARTEMENT DU FARO ET DEO	
3)	COMMUNE DE GALIM-TIGNERE
4)	COMMUNE DE KONTCHA
5)	COMMUNE DE MAYO BALEO
6)	COMMUNE DE TIGNERE
DEPARTEMENT DU MAYO-BANYO	
7)	COMMUNE DE BANKIM
8)	COMMUNE DE BANYO
9)	COMMUNE DE MAYO-DARLE
DEPARTEMENT DU MBERE	
10)	COMMUNE DE DIR
11)	COMMUNE DE DJOHONG
12)	COMMUNE DE MEIGANGA
13)	COMMUNE DE NGAOUI
DEPARTEMENT DE LA VINA	
14)	COMMUNE DE BELEL
15)	COMMUNE DE MARTAP
16)	COMMUNE DE MBE
17)	COMMUNE DE NGANHA
18)	COMMUNAUTE URBAINE DE NGAOUNDERE
19)	COMMUNAUTE D'ARRONDISSEMENT DE NGAOUNDERE I
20)	COMMUNAUTE D'ARRONDISSEMENT DE NGAOUNDERE II
21)	COMMUNAUTE D'ARRONDISSEMENT DE NGAOUNDERE III
22)	COMMUNE DE NYAMBAKA
REGION DU CENTRE	
DEPARTEMENT DE LA HAUTE SANAGA	
23)	COMMUNE DE MBANJOCK
24)	COMMUNE DE NANGA-EBOKO

25)	COMMUNE DE BIBEY
26)	COMMUNE DE MINTA
27)	COMMUNE DE LEMBE - YEZOUM
28)	COMMUNE DE NKOTENG
29)	COMMUNE DE NSEM
DEPARTEMENT DE LA LEKIE	
30)	COMMUNE DE BATSENGA
31)	COMMUNE D'ELIG MFOMO
32)	COMMUNE D'EBEBDA
33)	COMMUNE D'EVODOULA
34)	COMMUNE LOBO
35)	COMMUNE MONATELE
36)	COMMUNE D'OBALA
37)	COMMUNE D'OKOLA
38)	COMMUNE DE SA'A
DEPARTEMENT DU MBAM ET INOUBOU	
39)	COMMUNE DE BAFIA
40)	COMMUNE DE BOKITO
41)	COMMUNE DE DEUK
42)	COMMUNE DE KIKI
43)	COMMUNE DE KON-YAMBETTA
44)	COMMUNE DE MAKENENE
45)	COMMUNE DE NDIKINIMEKI
46)	COMMUNE DE NITOUKOU
47)	COMMUNE D'OMBESSA
DEPARTEMENT DU MBAM ET KIM	
48)	COMMUNE DE NTUI
49)	COMMUNE DE MBANGASSINA
50)	COMMUNE DE NGAMBE TIKAR
51)	COMMUNE DE NGORO
52)	COMMUNE DE YOKODDEE YOKOO COCO
DEPARTEMENT DE LA MEFOU ET AFAMBA	
53)	COMMUNE D'AWAE
54)	COMMUNE D'EDZENDOUAN
55)	COMMUNE ESSE
56)	COMMUNE DE MFOU

57)	COMMUNE DE NKOLAFAMBA
58)	COMMUNE D'OLANGUINA
59)	COMMUNE DE SOA
60)	COMMUNE D'AFANLOUM
DEPARTEMENT DE LA MEFOU ET AKONO	
61)	COMMUNE DE MBANKOMO
62)	COMMUNE DE NGOUMOU
63)	COMMUNE DE BIKOK
64)	COMMUNE D'AKONO
DEPARTEMENT DU MFOUNDI	
65)	COMMUNAUTE URBAINE DE YAOUNDE
66)	COMMUNE DE YAOUNDE I
67)	COMMUNE DE YAOUNDE II
68)	COMMUNE DE YAOUNDE III
69)	COMMUNE DE YAOUNDE IV
70)	COMMUNE DE YAOUNDE V
71)	COMMUNE DE YAOUNDE VI
72)	COMMUNE DE YAOUNDE VII
DEPARTEMENT DU NYONG ET KELLE	
73)	COMMUNE DE BOT-MAKAK
74)	COMMUNE BONDJOCK
75)	COMMUNE DE BIYOUHA
76)	COMMUNE DE DIBAN
77)	COMMUNE D'ESEKA
78)	COMMUNE DE MAKAK
79)	COMMUNE DE MATOM
80)	COMMUNE NGOG-MAPUBI
81)	COMMUNE NGUIBASSAL
82)	COMMUNE MESSONDO
DEPARTEMENT DU NYONG ET SO'O	
83)	COMMUNE D'AKOEMAN
84)	COMMUNE DE DZENG
85)	COMMUNE DE MBALMAYO
86)	COMMUNE DE MENGUEME
87)	COMMUNE DE NKOLMETET
88)	COMMUNE DE NGOMEDZAP

DEPARTEMENT DU NYONG ET MFOUMOU	
89)	COMMUNE D'AKONOLINGA
90)	COMMUNE D'AYOS
91)	COMMUNE D'ENDOM
92)	COMMUNE DE KOBDOMBO
93)	COMMUNE DE MENGANG
REGION DE L'EST	
DEPARTEMENT DE LA BOUMBA ET NGOKO	
94)	COMMUNE DE GARI-GOMBO
95)	COMMUNE DE MOLOUNDOU
96)	COMMUNE DE SALAPOUMBE
97)	COMMUNE DE YOKADOUMA
DEPARTEMENT DU HAUT NYONG	
98)	COMMUNE D'ABONG-MBANG
99)	COMMUNE D'ANGOSSAS
100)	COMMUNE D'ATOK
101)	COMMUNE DE DOUMAITANG
102)	COMMUNE DE LOMIE
103)	COMMUNE DE MESSAMENA
104)	COMMUNE DE MBOMA
105)	COMMUNE DE MESSOK
106)	COMMUNE DE MINDOUROU
107)	COMMUNE DE NGOYLA
108)	COMMUNE DE NGUELEMENDOUKA
109)	COMMUNE DE SOMALOMO
DEPARTEMENT DE LA KADEY	
110)	COMMUNE DE BATOURI
111)	COMMUNE DE KETTE
112)	COMMUNE DE KENTZOU
113)	COMMUNE DE MBANG
114)	COMMUNE DE NDELELE
115)	COMMUNE DE NGUELEBOCK
116)	COMMUNE D'OULI
117)	COMMUNE DE BELABO
DEPARTEMENT DE LA LOM ET DJEREM	
118)	COMMUNAUTE URBAINE DE BERTOUA

119)	COMMUNE DE BERTOUA 1 ^{er}
120)	COMMUNE DE BERTOUA 2 ^e
121)	COMMUNE DE BETARE-OYA
122)	COMMUNE DE DIANG
123)	COMMUNE DE GAROUA-BOULAÏ
124)	COMMUNE DE MANDJOU
125)	COMMUNE DE NGOURA
REGION DE L'EXTREME-NORD	
DEPARTEMENT DE LA DIAMARE	
126)	COMMUNAUTE URBAINE DE MAROUA
127)	COMMUNE DE BOGO
128)	COMMUNE DE DARGALA
129)	COMMUNE DE GAZAWA
130)	COMMUNE DE MAROUA 1ER
131)	COMMUNE DE MAROUA 2E
132)	COMMUNE DE MAROUA 3E
133)	COMMUNE DE MERI
134)	COMMUNE DE NDOUKOULA
135)	COMMUNE DE PETTE
DEPARTEMENT DU LOGONE ET CHARI	
136)	COMMUNE DE BLANGOUA
137)	COMMUNE DE DARAK
138)	COMMUNE DE FOTOKOL
139)	COMMUNE DE GOULFEY
140)	COMMUNE DE HILE-ALIFA
141)	COMMUNE DE KOUSSERI
142)	COMMUNE DE LOGONE-BIRNI
143)	COMMUNE DE MAKARY
144)	COMMUNE DE WAZA
145)	COMMUNE DE ZINA
DEPARTEMENT DU MAYO DANAY	
146)	COMMUNE DE DATCHEKA
147)	COMMUNE DE GOBO
148)	COMMUNE DE GUERE
149)	COMMUNE DE GUEME (VELE)
150)	COMMUNE DE KAÏ-KAÏ

151)	COMMUNE DE KALFOU
152)	COMMUNE DE KAR-HAY (DOUKOULA)
153)	COMMUNE DE MAGA
154)	COMMUNE DE TCHATIBALI
155)	COMMUNE DE WINA
156)	COMMUNE DE YAGOUA
DEPARTEMENT DU MAYO KANI	
157)	COMMUNE DE DZIGUILAO
158)	COMMUNE DE GUIDIGUIS
159)	COMMUNE DE KAELE
160)	COMMUNE DE MINDIF
161)	COMMUNE DE MOULVOUDAYE
162)	COMMUNE DE MOUTOURWA
163)	COMMUNE DE TOULOUN
DEPARTEMENT DU MAYO SAVA	
164)	COMMUNE DE KOLOFATA
165)	COMMUNE DE MORA
166)	COMMUNE DE TOKOMBERE
DEPARTEMENT DU MAYO TSANAGA	
167)	COMMUNE DE BOURRHA
168)	COMMUNE DE HINA
169)	COMMUNE DE KOZA
170)	COMMUNE DE MOGODE
171)	COMMUNE DE MOKOLO
172)	COMMUNE DE MOZOGO
173)	COMMUNE DE SOULEDA ROUA
REGION DU LITTORAL	
DEPARTEMENT DU MOUNGO	
174)	COMMUNAUTE URBAINE DE NKONGSAMBA
175)	COMMUNE DE BARE
176)	COMMUNE DE BONALEA
177)	COMMUNE DE DIBOMBARI
178)	COMMUNE D'EBONE
179)	COMMUNE DE LOUM
180)	COMMUNE DE MANJO
181)	COMMUNE DE MBANGA

182)	COMMUNE DE MELONG
183)	COMMUNE DE MOMBO
184)	COMMUNE DE NKONGSAMBA 1 ^{er}
185)	COMMUNE DE NKONGSAMBA 2 ^e
186)	COMMUNE DE NKONGSAMBA 3 ^e
187)	COMMUNE DE NJOMBE- PENJA
DEPARTEMENT DU NKAM	
188)	COMMUNE DE MANOKA
189)	COMMUNE DE NDOBIAN
190)	COMMUNE DE NKONDJOCK
191)	COMMUNE DE YABASSI
192)	COMMUNE DE YINGUI
DEPARTEMENT DE LA SANAGA MARITIME	
193)	COMMUNAUTE URBAINE D'EDEA
194)	COMMUNE DE DIBAMBA
195)	COMMUNE DE DIZANGUE
196)	COMMUNE D'ARRONDISSEMENT D'EDEA 1 ^{er}
197)	COMMUNE D'ARRONDISSEMENT D'EDEA 2 ^e
198)	COMMUNE DE MASSOCK
199)	COMMUNE DE MOUANKO
200)	COMMUNE DE NDOM
201)	COMMUNE DE NYANON
202)	COMMUNE DE NGAMBE
203)	COMMUNE DE NGWEI MAKONDO
204)	COMMUNE DE POUMA
DEPARTEMENT DU WOURI	
205)	COMMUNE D'ARRONDISSEMENT DE DOUALA 1 ^e
206)	COMMUNE D'ARRONDISSEMENT DE DOUALA 2 ^{eme}
207)	COMMUNE D'ARRONDISSEMENT DE DOUALA 3 ^{eme}
208)	COMMUNE D'ARRONDISSEMENT DE DOUALA 4 ^e
209)	COMMUNE D'ARRONDISSEMENT DE DOUALA 5 ^e
210)	COMMUNAUTE URBAINE DE DOUALA
211)	COMMUNE DE MANOKA
REGION DU NORD	
DEPARTEMENT DE LA BENOUE	
212)	COMMUNAUTE URBAINE DE GAROUA

213)	COMMUNE DE BASCHEO
214)	COMMUNE DE BIBEMI
215)	COMMUNE DE DEMBO
216)	COMMUNE D'ARRONDISSEMENT GAROUA 1 ^{er}
217)	COMMUNE D'ARRONDISSEMENT GAROUA 2 ^e
218)	COMMUNE D'ARRONDISSEMENT GAROUA 3 ^e
219)	COMMUNE DE GASCHIGA
220)	COMMUNE DE LAGDO
221)	COMMUNE DE MAYO-HOURNA
222)	COMMUNE DE NGONG
223)	COMMUNE DE PITOA
224)	COMMUNE DE TOUROUA
DEPARTEMENT DU FARO	
225)	COMMUNE DE BEKA
226)	COMMUNE DE POLI
DEPARTEMENT DU MAYO LOUTI	
227)	COMMUNE DE FIGUIL
228)	COMMUNE DE GUIDER
229)	COMMUNE DE MAYO-OULO
DEPARTEMENT DU MAYO REY	
230)	COMMUNE DE MADINGRING
231)	COMMUNE DE REY-BOUBA
232)	COMMUNE DE TCHOLLIRE
233)	COMMUNE DE TOUBORO
REGION DU NORD-OUEST	
DEPARTEMENT DU BUI	
234)	COMMUNE D'ELAK OKU
235)	COMMUNE DE JAKIRI
236)	COMMUNE DE KUMBO
237)	COMMUNE DE NKUM
238)	COMMUNE DE MBIAME
239)	COMMUNE DE NKOR
DEPARTEMENT DU BOYO	
240)	COMMUNE DE BELO
241)	COMMUNE DE FONFUKA
242)	COMMUNE DE FUNDONG

243)	COMMUNE DE NJINIKOM
DEPARTEMENT DU DONGA MANTUNG	
244)	COMMUNE D'AKO
245)	COMMUNE DE MISAJE
246)	COMMUNE DE NDU
247)	COMMUNE DE NKAMBE
248)	COMMUNE DE NWA
DEPARTEMENT DE MENCHUM	
249)	COMMUNE DE BENAKUMA
250)	COMMUNE DE FURU-AWA
251)	COMMUNE DE WUM
252)	COMMUNE DE ZHOA
DEPARTEMENT DE LA MEZAM	
253)	BAMENDA CITY COUNCIL
254)	COMMUNE DE BAFUT
255)	COMMUNE DE BALI
256)	COMMUNE D'ARRONDISSEMENT DE BAMENDA 1 ^{er}
257)	COMMUNE D'ARRONDISSEMENT DE BAMENDA 2 ^e
258)	COMMUNE D'ARRONDISSEMENT DE BAMENDA 3 ^e
259)	COMMUNE DE SANTA
260)	COMMUNE DE TUBAH
DEPARTEMENT DE LA MOMO	
261)	COMMUNE D'ANDEK
262)	COMMUNE DE BATIBO
263)	COMMUNE DE MBENGWI
264)	COMMUNE DE NJIKWA
265)	COMMUNE DE WIDIKUM-BOFFE
DEPARTEMENT DE NGO-KETUNJIA	
266)	COMMUNE DE BABESSI
267)	COMMUNE DE BALIKUMBAT
268)	COMMUNE DE NDOP
REGION DE L'OUEST	
DEPARTEMENT DU BAMBOUTOS	
269)	COMMUNE DE BABADJOU
270)	COMMUNE DE BATCHAM
271)	COMMUNE DE GALIM

272)	COMMUNE DE MBOUDA
DEPARTEMENT DU HAUT NKAM	
273)	COMMUNE DE BAFANG
274)	COMMUNE DE BANKA
275)	COMMUNE DE BAKOU
276)	COMMUNE DE BANA
277)	COMMUNE DE BANDJA
278)	COMMUNE DE BANWA
279)	COMMUNE DE KEKEM
DEPARTEMENT DES HAUTS PLATEAUX	
280)	COMMUNE DE BAHAM
281)	COMMUNE DE BAMENDJOU
282)	COMMUNE DE BANGOU
283)	COMMUNE DE BATIE
DEPARTEMENT DU KOUNG KHI	
284)	COMMUNE DE BAYANGAM
285)	COMMUNE DE DEMDENG
286)	COMMUNE DE PETE-BANDJOUN
DEPARTEMENT DE LA MENOUA	
287)	COMMUNE DE DSCHANG
288)	COMMUNE DE FOKOUE
289)	COMMUNE DE FONGO-TONGO
290)	COMMUNE DE NKONG-NZEM
291)	COMMUNE DE PENKA-MICHEL
292)	COMMUNE DE SANTCHOU
DEPARTEMENT DE LA MIFI	
293)	COMMUNAUTE URBAINE DE BAFOUSSAM
294)	COMMUNE D'ARRONDISSEMENT DE BAFOUSSAM 1 ^{er}
295)	COMMUNE D'ARRONDISSEMENT DE BAFOUSSAM 2 ^e
296)	COMMUNE D'ARRONDISSEMENT DE BAFOUSSAM 3 ^e
DEPARTEMENT DU NDE	
297)	COMMUNE DE BANGANGTE
298)	COMMUNE DE BASSAMBA
299)	COMMUNE DE BAZOU
300)	COMMUNE DE TONGA
DEPARTEMENT DU NOUN	

301)	COMMUNE DE BANGOURAIN
302)	COMMUNE DE FOUMBAN
303)	COMMUNE DE FOUMBOT
304)	COMMUNE DE KOUOPTAMO
305)	COMMUNE DE KOUTABA
306)	COMMUNE DE MAGBA
307)	COMMUNE DE MALANTOUEN
308)	COMMUNE DE MASSANGAM
309)	COMMUNE DE NJIMOM
REGION DU SUD	
DEPARTEMENT DU DJA ET LOBO	
310)	COMMUNE DE BENG BIS
311)	COMMUNE DE DJOUM
312)	COMMUNE DE SANGMELIMA
313)	COMMUNE DE MEYOMESSI
314)	COMMUNE DE MINTOM
315)	COMMUNE D'OVENG
316)	COMMUNE DE MEYOMESSALA
317)	COMMUNE DE ZOETELE
DEPARTEMENT DE LA MVILA	
318)	COMMUNAUTE URBAINE D'EBOWA
319)	COMMUNE DE BIWONG-BANE
320)	COMMUNE DE BIWONG-BULU
321)	COMMUNE D'ARRONDISSEMENT D'EBOWA IER
322)	COMMUNE D'ARRONDISSEMENT D'EBOWA IIE
323)	COMMUNE D'ARRONDISSEMENT D'EBOWA IIIEME
324)	COMMUNE D'EFOULAN
325)	COMMUNE DE MENGONG
326)	COMMUNE DE MVANGAN
327)	COMMUNE DE NGOULEMAKONG
DEPARTEMENT DE L'OCEAN	
328)	COMMUNAUTE URBAINE DE KRIBI
329)	COMMUNE D'AKOM II
330)	COMMUNE DE BIPINDI
331)	COMMUNE DE CAMPO
332)	COMMUNE DE KRIBI 1ER

333)	COMMUNE DE KRIBI 2E
334)	COMMUNE DE LOKOUNDJE
335)	COMMUNE DE LOLODORF
336)	COMMUNE DE MVENGUE
337)	COMMUNE DE NIETE
DEPARTEMENT DE LA VALLE DU NTEM	
338)	COMMUNE D'AMBAM
339)	COMMUNE DE KYE-OSSI
340)	COMMUNE DE MA'AN
341)	COMMUNE D'OLAMZE
REGION DU SUD-OUEST	
DEPARTEMENT DU FAKO	
342)	COMMUNAUTE URBAINE DE LIMBE
343)	COMMUNE DE BUEA
344)	COMMUNE D'ARRONDISSEMENT DE LIMBE 1 ^{er}
345)	COMMUNE D'ARRONDISSEMENT DE LIMBE 2 ^e
346)	COMMUNE D'ARRONDISSEMENT DE LIMBE 3 ^e
347)	COMMUNE D'IDENAU
348)	COMMUNE DE MUYUKA
349)	COMMUNE DE TIKO
DEPARTEMENT DE LA KUPE-MANENGUBA	
350)	COMMUNE DE BANGEM
351)	COMMUNE DE NGUTI
352)	COMMUNE DE TOMBEL
DEPARTEMENT DU LEBIALEM	
353)	COMMUNE D'ALOU
354)	COMMUNE DE MENJI
355)	COMMUNE DE WABANE
DEPARTEMENT DE LA MANYU	
356)	COMMUNE D'AKWAYA
357)	COMMUNE D'EYUMODJOCK
358)	COMMUNE DE MAMFE
359)	COMMUNE DE TINTO
DEPARTEMENT DE LA MEME	
360)	COMMUNAUTE URBAINE DE KUMBA
361)	COMMUNE DE KONYE

362)	COMMUNE D'ARRONDISSEMENT DE KUMBA 1 ^{er}
363)	COMMUNE D'ARRONDISSEMENT DE KUMBA 2 ^e
364)	COMMUNE D'ARRONDISSEMENT DE KUMBA 3 ^e
365)	COMMUNE DE MBONGE
DEPARTEMENT DU NDIAN	
366)	COMMUNE DE BAMUSSO
367)	COMMUNE DE DIKOME-BALUE
368)	COMMUNE D'EKONDO-TITI
369)	COMMUNE D'IDABATO
370)	COMMUNE D'ISANGELE
371)	COMMUNE DE KOMBO-ABEDIMO
372)	COMMUNE DE KOMBO-ITINDI
373)	COMMUNE DE MUNDEMBA
374)	COMMUNE DE TOKO

ORDER N° 0002/MINFI/SG/DGI OF JANUARY 05, 2017 ESTABLISHING THE LIST OF LARGE ENTERPRISES AUTHORIZED TO EFFECT AN ABATEMENT OF 50% ON THE LIABILITY BASE OF THE ADVANCED PAYMENT ON PURCHASES OF THEIR DISTRIBUTORS THAT ARE MEMBERS OF APPROVED MANAGEMENT CENTRES

THE MINISTER OF FINANCE,

Mindful of the General Tax Code;

Mindful of Law N° 2016/018 of December 14, 2016 bearing on the Finance Law of the Republic of Cameroon for 2017;

Mindful of decree N° 2011/408 of December 9, 2011 organizing the Government;

Mindful of decree N° 2013/066 of February 28, 2013 organizing the Ministry of Finance;

Mindful of decree N° 2015/434 of October 2, 2015 bearing on the reorganization of the Government;

HEREBY ORDERS AS FOLLOWS:

Section 1. - Pursuant of the provisions of section 119 (1) of The General Tax Code, the following enterprises listed in the appendix of this order have been authorized to effect an abatement of 50% on the liability base on advanced payment of their distributors that are members of the Approved Management Centres.

Section 2. – The abatement cited above is exclusively applied on purchases of their distributors dully registered with the Approved Management Centres.

Section 3. - The annual tax returns of taxpayers who have collected the advanced payment on purchases in respect to the conditions cited above, must as a matter of obligation indicate in the appendix a consolidated list of their customers that are members of approved management centres citing the amount of advanced payment per client as well as his approved management centre.

Section 4. –The authorization to carry out an abatement of 50% on the liability base of advanced payment on purchases of distributors that are members of approved management centres can be suspended or given temporarily by the Director General of Taxation within the year.

Section 5. - The Director General of Taxation is charged with the application of this order that will be registered and publish everywhere as need be.

Yaoundé, the 5th of January, 2017

**THE MINISTER OF FINANCE
(ed) ALAMIN OUSMAN MEY**

**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 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 offering 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 précisng modalities of application of the fiscal provisions of the Finance Law for the year 2004.

ANNEX 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
Spirituosous 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

ANNEX 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

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 communities have 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 licences, liquor licences, the tax on land ownership and duties on real 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 licences.

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 licence 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 licence 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 licence 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.

Article 12: Exoneration from business licence for new enterprises

New enterprises are exonerated from the payment of the business licence 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 licence 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 licence, 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.

Articles 13, 14, 15, 16, 17, 18, 19, 20 and 21: Assessment modalities

The modalities for the establishment of the licence have not been modified by the new law. Consequently, the rules governing the place of establishment, the personality, the annual nature of the licence and the calculation shall continue to be applied.

Therefore, the licence 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 licence 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 licence 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 licence	Activities liable to the discharge or global tax
Class of Licence	Basic element	Contribution business to licence	Amount of the global tax
1st class	Non-alcoholic beverages	02 times the business licence	01 time the amount of the global tax
2nd class	Alcoholic beverages	04 times the business licence	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 is 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- THE OTHER MUNICIPAL TAXES

Articles 61 et 62: 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 institute 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 FCFA 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 carrying 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.

Article 77: 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.

Article 78: 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.

Articles: 91, 92, 93: 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.

Articles 94, 95, 96: 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 licence 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

1) 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.

2) 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.

3) 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

1) 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.

2) Assessment

Rates of the tax on advertising are set within the following limits:

a) 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;

Residents: 5,000 F to 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.

3) 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

1) 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.

2) 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 FCFA.

Only a single communal stamp is affixed on the documents referred to above.

3) 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

1) 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.

2) 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 m²;
 - asphalt coated road: 45,000 F to 100,000 F per m²;
 - 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 m²;
 - dirt road: 20,000 F to 50,000 F per m².

3) 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.

2) 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.

3) 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

1) 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.

2) 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.

3) 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

1) 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.

2) 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.

3) 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

1) 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.

2) 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.

3) 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 COUNCILS AND 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

Articles 120 and 121: 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 tax on 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 TAXES BY TAXATION SERVICES OF THE STATE

a) General rules applicable to the collection of communal taxes and dues by 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 licence tax, liquor licence, property tax on real estate, tax on gambling and distraction, duties on transfer of property, windscreen licence, 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 partially transferred 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 liquor 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 licence 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 licence, 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 licence tax within fifteen (15) working days following the end of each quarter.

The business licence 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 licence 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 licence 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 liquor license which is subjected to the same collection modalities as the business licence, the same diligence must be observed in order to comply with the rules prescribed for the collection of the business licence 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 additional council 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:

Additional council Surtax collected by the tax administration

***Distribution**

- Share of the State 10%
- Share of FEICOM 20%
- Share centralized by FEICOM 42%
- Basic Retention for councils and urban councils 28%

***Issue**

- 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.

Additional council Surtax collected by the customs Administration

*** Distribution**

- Share of the State 10%
- Share of FEICOM 20%
- Share centralized by FEICOM 42%
- Basic withholding for councils and urban councils 28%

***Liquidation**

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 licence 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 Department and Medium Size Taxpayer centres)

For the collection of business license tax and the liquor 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 liquor licence 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 and 110).

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, deducts any 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 taxes and 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 control proceedings

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 foreclosure 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, liquor 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 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, liquor 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.

Section 147: 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.

Section 148 : 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*

The Minister of Finance

(ed) MARAFA HAMIDOU YAYA

(ed) LAZARE ESSIMI MENYE

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- Scope of application of stamp duty on motor vehicles

A. Persons liable to stamp duty on motor vehicles

1) Legal liability : The Insurance companies

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:

- **1st case: insurance is taken out directly at the company:** in this case, the stamp duty is collected by the company and paid to its tax center.
- **2nd case : insurance is taken out through intermediaries:** 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) Actual taxpayers : owners of vehicles and motorcycles

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. Rates

For remainder purposes, stamp duty on motor vehicles is laid down as follows:

- two-wheeled (02) motorcycles : 2 000 FCFA ;
- three-wheeled (03) motorcycles :5 000 FCFA ;
- vehicles of 02 to 07 HP : 15 000 FCFA ;
- vehicles of 08 to 13 HP : 25 000 FCFA ;
- vehicles of 14 to 20 HP : 50 000 FCFA ;
- vehicles of more than 20 HP : 100 000 FCFA .

1) Acts constituting liability and due date Acts constituting liability

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 be considered as vehicles in circulation. In this regard, 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) **Due date**

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.

B. 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.

1. 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.

2. 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.

C. 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) The procedure of remission of penalties

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) The procedure of dispute of penalties

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.

CIRCULAR N° 001 /MINFI/DGI/LRI/L of 12/01/2017
Outlining the modalities for implementing the tax provisions contained
in Law N° 2016/018 of 14 December 2016 bearing on the Finance Law of
the Republic of Cameroon for the 2017 financial year

THE DIRECTOR GENERAL OF TAXATION

To

- *The Head of the Internal Audit Service;*
- *Directors and Officials ranking as such;*
- *Chiefs of Regional Taxation Centres;*
- *Sub-Directors and officials ranking as such;*
- *Chiefs of Services and officials ranking as such.*

This circular outlines the rules for implementing the new tax provisions contained in the 2017 finance law and provides relevant guidelines for their effective application.

The new provisions pertain to:

- The Company Tax (CT) and the Personal Income Tax (PIT) ;
- The Value Added Tax (VAT) and Excise Duties;
- Various taxes and levies;
- Specific mining and forestry taxes;
- Registration and stamp duties;
- The Manual of tax procedures
- Local taxes.

I- PROVISIONS RELATING TO THE COMPANY TAX (CT) AND PERSONAL INCOME TAX (PIT)

Section 3: Liability for Company Tax on furnished rentals used for dwelling purposes

1. Income derived from furnished rentals, that is to say, any rental of accommodation fully equipped with appliances and furniture, irrespective of the nature of the rental (business or residential) is liable to Company Tax or the Industrial and Commercial Profits Tax (BIC) as the case may be.
2. Shall hence be liable to Company Tax, income derived by legal entities from furnished rentals, particularly property investment (non-trading) companies that lease out or sublet furnished apartments in buildings owned or operated by them.
3. As a reminder, the provisions of Section 52 of the General Tax Code (GTC) already subjects income derived by individuals from furnished rental to Industrial and Commercial Profits Tax (BIC). These provisions are maintained.

Section 7 (D) : The depreciation threshold of small equipment and tools

4. The threshold at which small equipment and tools must be entered in a fixed asset account (accounts of class 2 of the OHADA accounting plan) and consequently depreciated, has been revised upwards. With effect from 1 January 2017, this threshold is raised from FCFA 400,000 to FCFA 500,000.
5. This amendment applies to small equipment and tools acquired from 1 January 2017. Small equipment and tools with a unit value between 400 000 FCFA and 500 000 FCFA acquired before 1 January 2017 shall remain listed as an asset in the books of the company and continue to be amortized at the legal rates in force at the time of acquisition.

Section 17 (4) and 46 (2) : Liability of all capital gains derived from the disposal of immovable property to the discharge levy

6. With effect from 1 January 2017, capital gains derived by individuals and legal entities from the disposal of immovable property, shall be subject to a 5% discharge levy. This discharge levy which represents property tax shall be collected by a Notary and remitted to the Treasury with the registration fees.

7. Legal persons may not rely on their status to avoid paying the discharge levy. Capital gains derived from the disposal of their immovable property shall be included in their results and subjected to company tax at the end of the financial year. However, in order to avoid double taxation, the discharge levy collected by the Notary shall be deducted from the tax due at the end of the year under the same conditions as taxes on income from movable capital.

8. The discharge levy collected by Notaries prior to the entry into force of this law from capital gains derived by legal entities on the disposal of their immovable property, shall remain deductible from the income tax due at the end of the fiscal year within the limitation period.

Section 21 (1) : The regime of company tax/income tax down payment and prepayment applicable to the sectors with administered prices

1) Definition of sectors with administered prices

9. Taxpayers who fall under the actual earnings tax scheme shall benefit from the tax treatment applicable to sectors with administered prices in accordance with the provisions of Section 21 (1) of the General Tax Code as amended by the Finance Law for the financial year 2017, when they are engaged in the distribution of the following products:

- petroleum products and domestic gas (this comprises marketers duly authorized by the competent authority, wholesalers and retailers selling directly to the final consumer);
- grain mill products (this refers to wholesalers in direct contact with producers);
- pharmaceutical products (this comprises wholesale distributors who obtain their supplies from international distributors or local manufacturers, and retail distributors such as pharmacies);
- Press products (these are independent operators who distribute the products of the press organs).

2) Rules for collecting down payments and prepayments in the administered pricing sector

10. The taxable base as concerns the down payments and prepayments of taxpayers falling under the administered pricing sector is the gross margin.

11. The gross margin refers to the difference between the sales price and the cost price, plus bonuses and commissions of any kind. A 14% rate is then applied to the derived gross margin. This rate is increased by 10% representing the additional council tax (ACT) in the case of down payments.

12. Taxpayers who by virtue of the tax law, fall under the administered pricing sector, may nevertheless opt for the ordinary general tax scheme when the latter is more favourable to them. In such cases, the down payment is obtained by applying the 2.2% rate to the turnover.

13. A taxpayer who falls under this sector and who wishes to opt for the more favourable ordinary general tax scheme shall notify his Tax Centre by a simple letter.

14. The partners and other contractors of operators within the administered pricing sector are bound to apply the most favourable down payment and prepayment tax rules to them, upon simple request.

15. When a taxpayer carries out mixed activities (free-pricing activity and administered-pricing activity), the down payment scheme of 2.2% is compulsorily applied to the share of turnover related to the free pricing activity.

16. The new 14% rate applicable to down payments and prepayments shall apply to transactions carried out with effect from 1 January 2017, namely those to be declared by 15 February 2017.

Section 21 (2) : The withholding tax scheme for timber exploiters who do not possess valid permits

17. Section 21 (2) of the General Tax Code provides that logging companies are subject to the following withholding taxes:

- 2,2% where the logging company falls under the actual earnings tax scheme ;
- 5,5% where the logging company falls under the simplified tax scheme ;
- 10% where the logging company is not on the taxpayer roll of any taxation centre.

18. With effect from the 1st of January 2017, there is a special income tax down-payment rate applicable where the logging company does not provide the necessary authorizations. This rate is 20% plus 10% for the additional council tax, i.e. 22%.

19. Necessary authorization refers to valid logging permits duly issued by the Ministry of Forestry and Wildlife (MINFOF). This comprises sales of logs, harvesting agreements, personal harvesting permits, etc.

20. In the absence of such evidence, the Taxation Services are dealing with a case of illegal exploitation and must systematically apply the 20% rate whether the timber has already been seized or not.

21. Thus, in order not to have the 20% rate applied to their bills, logging companies are bound to present valid logging permits. Besides the supporting documents provided by suppliers, all entities required to make this deduction should also refer to the list of companies holding valid logging permits which is available on the website of the Directorate General of Taxation (www.impots.cm).

22. Overall, we can distinguish three situations that may give rise to the application of the following withholding rates:

- Case 1, the company operates legally but is not on the taxpayers roll: 10%
- Case 2, the company operates illegally but is on the taxpayers roll: 20%
- Case 3, the company is operating illegally and is not on the taxpayers roll: 20%

23. For information, all companies falling under the actual earnings regime are required to withhold the income tax down payments upon the settlement of wood invoices.

Section 21 (2) : Extension of the withholding of income tax to lumber

24. With effect from the 1st of January 2017, settlement of invoices for the purchase of timber or lumber shall give rise to the withholding of income tax down payment.

25. Lumber which differs from timber refers to wood that has undergone transformation intended to provide a specific appearance or feature. This transformation makes it possible to obtain products from sawmills such as boards, rafters, beams or battens, which are themselves used for the manufacture of furniture and other finished products.

Sections 48 (4), 90 and 543 (a, b et c) : New rates applicable on real estate transactions

26. The 2017 finance law pursues the option of lowering tax rates in our tax system. The same applies to the rates applicable to the registration of real property transfers.

1) Taxes concerned by the reduction of rates

- **Registration duties on the conveyance of immovable property**

27. As from 1 January 2017, the following preferential rates are applicable in respect of registration fees on the disposal of immovable property in areas covered by the administrative standard price list:

- 10% for developed real property in urban areas ;
- 5% for undeveloped real property in urban areas and developed real property in rural areas ;
- 2% for undeveloped real property in rural areas.

28. Where immovable properties are situated in areas not covered by an administrative standard price list, the applicable rates shall remain 15% for developed real property in urban areas, 10% for undeveloped real property in urban areas and developed real property in rural areas and 5% for undeveloped real property in rural areas.

- **The discharge levy on capital gain derived from immovable property**

29. With effect from 1 January 2017, the rate of the discharge levy applicable on capital gains derived from the disposal of immovable property is fixed at 5% when the property in question is located in an area covered by an administrative market price list.

30. The 10% rate shall remain applicable to capital gains derived from the disposal of immovable property located in areas not covered by an administrative market price list.

2) The requirement to benefit from the application of the reduced rates

31. In order to benefit from the reduced rates set out above, immovable properties which are the subject of transactions submitted for registration must be located in an area covered by an administrative standard price list. Administrative price list refers to the minimum benchmark prices for real estate transactions defined by administrative means.

32. Administrative standard price lists are fixed in accordance with the provisions of Articles 5 and 7 of Decree No 2014/1881 of 4 July 2014 laying down the procedures for the administrative assessment of immovable properties.

33. Administrative price lists are available electronically and included in the electronic filing application in the centres that have them.

34. There are also hard copies in centres which do not yet have the electronic filing system. In any case, taxation services and users should refer to it where it does exist, regardless of whether it is electronic or not.

Section 48 (3) : New rules for calculating the taxable base of the discharge levy on capital gains derived from the disposal of immovable property

35. In addition to the 5% reduction in the rate applicable to capital gains derived from the disposal immovable property in areas covered by an administrative price list, the 2017 Finance law has made the following amendments to the rules for calculating capital gains on immovable property:

✓ **The adjustment of the taxable base of capital gains**

36. Section 48 (3) of the GTC provides that the capital gain on the disposal of immovable property is equal to the difference between the price declared by the parties and the value of the property at the last transfer.

37. The determination of the capital gain on immovable property is based on the following elements:

- the sale price declared by the parties, reassessed administratively if necessary;
- the value of the property at the last transfer;
- the costs of construction and / or conversion of the building, if any;
- expenses deductible from the gross capital gain.

38. These elements make it possible to determine first the gross capital gain and then the net capital gain.

- The calculation of the gross capital gain

39. The gross capital gain is equal to the difference between the transfer price and the value of the immovable at the last transfer.

40. The "Sale price" refers the price declared by the parties or the administratively reassessed value when the declared price is lower than the administrative value.

41. As regards the value of the immovable property at the last transfer, it refers either to the price at which the immovable property was acquired by the seller or the value of the immovable property when the last transfer was made gratuitously, in particular in the case of a succession, a direct registration or a donation.

- The calculation of the net capital gain

42. To obtain the net capital gain, the following shall be taken into account as deductible expenses:

- a flat-rate allowance of 30% for persons not required to keep accounts;
- or actual costs relating to the last transfer, excluding registration fees, in the case of persons required to keep accounts.

43. The flat-rate allowance is applied to the amount of the gross capital gain.

44. In order to be admissible, the actual costs incurred by the person liable for payment must be backed by convincing evidence in his accounts. Such proof must obligatorily be attached to the deed of conveyance which is presented for registration formality.

45. The person liable to the capital gain cannot claim benefit of both the flat-rate allowance and the actual expenses at the same time.

✓ **The rules for calculating the capital gain derived from a transaction stemming from the first registration**

46. Where the last transfer was made by direct registration, the value used as basis for the determination of the capital gain shall be that declared by the parties.

47. Direct registration is understood as the procedure for the recognition of rights in category one national lands, that is, lands occupied before the 5th of August 1974.

48. The new rates thus defined shall apply to instruments submitted for registration as from the 1st of January 2017, irrespective of the date on which the transfer occurred.

Section 105 and 106 (new) : The promotion of youth employment

49. The 2017 finance law has reinforced the scope of existing incentives for the promotion of youth employment by extending its scope to cover other types of employment which were not targeted initially. For information, only recruitments under open-ended contracts were previously eligible for the preferential tax regime.

50. With effect from 1 January 2017, the exemption from employee and employer's tax liabilities on wages paid to young graduates recruited under a first job is extended to recruitment under fixed-term contracts and pre-employment apprenticeship.

51. Therefore, all types of employment contract between employers and employees, provided that they benefit young graduates under 35 years of age, are now included in the scope of the scheme for the promotion of youth employment.

52. For information, the benefit of the exemptions granted under the scheme for youth employment is valid for a period of three (03) years. This is extended to five (5) years when jobs are created in an economic disaster zones.

53. In order to benefit from these exemptions, enterprises shall forward to the taxation centre where they are registered, the list of persons recruited, accompanied by supporting documents.

54. This new provision applies to recruitments made on or after the 1st of January 2017.

55. It should be pointed out that only employment contracts are eligible under this scheme. Contracts for the leasing of labour by which a specialized firm makes available to another enterprise labour in return for a total remuneration are excluded. Such a service shall be considered as a commercial contract not eligible under this scheme.

Section 119 (1) and (3): The tax regime of proprietors of Approved Management Centres (AMC)

56. The 2017 Finance Law pursues the existing policy of improving the attractiveness of Approved Management Centres (AMC). Apart from the tax benefits already granted by the 2016 Finance Law, additional benefits have been granted to members of AMCs and their promoters.

- **A 50% allowance reduction of the rate of prepayments and down payment of certain members of AMCs**

57. The 2017 Finance Law has extended the 50% allowance on the basis for calculating the prepayment on purchases and down payments to distributors, members of AMCs who make purchases exclusively from certain large companies whose list is defined by an Order of the Minister of Finance. In that light Order No. 00002 / MINFI / SG / DGI of 05 January 2017 has been signed by the Minister of Finance.

58. The focus here is on distributors of products whose exclusive dealing with major companies in the economy is well structured and supervised.

59. The allowance on prepayments on purchase and down payments is valid only on the portion of turnover made exclusively with the large companies listed by Order of the Minister of Finance.

- **The strengthening of tax advantages granted to proprietors of Approved Management Centres :**

60. In order to reduce the operating costs of AMCs, the 2017 Finance Law has waived the payment of payroll taxes and employers' payroll contribution on the salaries paid to the employees of AMCs.

61. Accordingly, no deduction in respect of payroll taxes and employer's payroll contribution shall be made on the salaries paid to staff employed by the AMCs. Payroll taxes and employers' payroll contribution are :

- The personal income tax ;
- The Housing loans fund tax (employer and employee's share) ;
- The National Employment Fund tax ;
- The audio visual tax ;
- The local development tax.

62. The social contributions which are meant for the social protection of the employee remain due and must be remitted.

63. The benefit of this exemption is not subject to the conditions laid down under the youth employment tax scheme.

64. The above exemption applies to salaries paid from 1 January 2017.

Article 120 : Measures to promote educational and health institutions

65. As in the past, educational and health institutions shall continue to benefit from the following tax scheme:

- **In their capacity as taxpayers :**
 - exemption from payment of the business licence ;
 - exemption from payment of property tax with respect to immovable property used in carrying on the business activity of such institutions provided they possess full ownership;
 - exemption from company tax and from tax on industrial and commercial profits, when they are operating on non-profit basis.

• **In their capacity as tax collectors :**

- exemption from the obligation to collect VAT on their main activities of teaching or of health care;
- the obligation to withhold and remit personal income tax of the persons they employ, according to the payroll deduction schedule;
- the obligation to withhold and remit the tax on property income when they are tenants of buildings used for their activities.

66. The 2017 Finance Law extends the exemption from VAT to ancillary services provided by these institutions, such as canteens and school transport.

1) **The entities that qualify to benefit from the scheme for the promotion of educational and health institutions**

67. In accordance with the provisions of Article 120 of the General Tax Code, tax advantages associated with the scheme for the promotion of educational and health institutions shall be granted solely to the following entities:

- private secular or denominational educational and training institutions;
- private secular or denominational health establishments.

68. The private educational and training institutions that fall within this scheme include all levels of education and training, namely nursery, primary, general secondary and technical, higher, vocational and teacher-training.

69. Health institutions, for their part, refer to all health facilities providing health care to the sick. Do not fall into this category medical laboratories, veterinary clinics and fitness or relaxation centres.

70. To be eligible under this scheme, such institutions must be duly approved by the competent authority, namely the Ministry of Public Health for health establishments and the ministries in charge of basic education, secondary education, higher education or vocational training as appropriate for educational and training institutions.

71. To be considered as approved, these institutions must provide all the authorizations governing the exercise of their activities. This applies in

particular to educational and training institutions, not only creation authorization but also the operating authorization.

72. Any suspension or withdrawal of authorization from an institution by the competent authority shall result in the immediate suspension of the tax benefits granted under this scheme, without prejudice to the possible back taxes and penalties.

2) The tax advantages granted to educational and health institutions

73. Educational, training and health institutions fulfilling the above mentioned criteria shall enjoy the following tax advantages:

- **In their capacity as taxpayers :**

- exemption from payment of the business license ;
- exemption from payment of property tax with respect to immovable property used in carrying on the business activity of such institutions provided they possess full ownership;
- exemption from company tax and from tax on industrial and commercial profits, when they are operating on non-profit basis.

- **In their capacity as tax collectors :**

- exemption from the obligation to collect VAT on all services they offer, whether they relate directly to their main activity of teaching or health care, or whether they are ancillary thereto such as canteens, distribution of supplies, textbooks and uniforms, school transportation, the sale of medical supplies and pharmaceutical products.

74. With regard to the **exemption from property tax**, only those immovable properties directly used for the activities of educational and health institutions are concerned. Therefore, when the property used for these activities is leased, the property tax remains due by their owners.

75. As regards the **exemption from the company tax or personal income tax**, it shall only be granted when the institution in question is operating on a non-profit basis. Otherwise, the proprietor shall be liable to CT or PIT on the income derived from such activity. Shall be deemed to operate on a profit basis, any institution whose primary objective is the realization of profits.

76. In the case of private educational institutions, a distinction should be made between the institutions that are free and those that are under contract, as spelt out in Law No. 004/022 of 22 July 2004 laying down the rules governing the organization and operation of private education in Cameroon.

77. Private educational or training institutions which are not subject to compliance with the tuition rates fixed by the State shall be deemed to be free. They are deemed to operate on a profit basis and are therefore subject to CT or PIT.

78. Contract educational and training establishments are those that are subject to compliance with the tuition rates set by the State. These institutions are presumed not to operate on a profit basis. As such, they are exempt from CT or PIT which relieves them from payment of the monthly down payments as well as the minimum tax on companies.

79. Concerning healthcare institutions, only those denominational and secular institutions applying the same tariffs as public or para-public hospitals shall be deemed not operating on a profit basis.

80. As regards the *exemption from VAT*, it applies to all the services offered by these institutions in the course of their business. These include

- For educational and training institutions :
 - school fees and boarding fees;
 - school canteen ;
 - distribution of school supplies, text books and uniforms ;
 - school transportation.

- For health institutions :
 - tests, consultations, health care, hospitalization, analysis operations and medical biological analysis, provision of prostheses;
 - lodging ;
 - restaurant ;
 - sale of pharmaceutical products and medical supplies.

3) Conditions to be fulfilled in order to qualify for tax benefits

81. In order to qualify for the above mentioned tax advantages, educational and health institutions must convey to their Taxation Centre, a certified copy of the authorizations to carry out their activities duly signed by the Competent authorities, as well as evidence that they are not operating on profit basis. These include:

- a contract duly signed by the parties, for educational and training institutions under contract with the State or a public entity;
- proof that the institution is a denominational institution in the case of this category;
- a price list of services provided both for schools and for health institutions.

82. It should be noted that operating on a non-profit basis is a prerequisite as concerns company tax or personal income tax exclusively. As regards other exemptions (VAT, business license and property tax), they are applicable to all institutions provided they are approved.

4) The special case of deductions at source

83. In addition to the above exemptions, educational and health institutions are subject to :

- the obligation to withhold and to remit Personal Income Tax (PIT) of the persons they employ, according to the payroll deduction schedule;
- the obligation to withhold income tax when they are tenants of the buildings allocated to their activities.

84. Taxes and dues deducted at source by educational and health institutions shall be remitted to the taxation centres to which they belong no later than the 15th of the month following that in which the deductions were made.

Section 121 : Measures to promote economically deprived areas

85. The 2017 Finance Law has instituted a tax scheme for the promotion of so-called "economically deprived areas". Therefore, the finance law provides for exemptions from taxes and duties to the benefit of enterprises which make new investments within such zones, on condition that they fulfil certain requirements in style and substance.

86. According to Order No. 000509 / MINFI of 4 July 2016 on the delimitation of economically depressed zones, the term "economically deprived areas" refers to an area in which economic activity is structurally and over a long period of time affected by disaster of any kind, such as insecurity, floods, famine, drought, and so on.

87. Pursuant to the aforementioned Order, the Far North of Cameroon is recognized as an economically deprived area. The Services should refer to the regulatory text in force so as to take into account possible developments in this regard.

1) The eligible enterprises

88. Shall be eligible to the scheme for the promotion of economically deprived areas, new or existing enterprises falling under the actual earnings system of assessment.

89. An existing enterprise refers to any enterprise which, prior to 1 January 2017, already possesses either a registration in the Trade Register or a Unique Identifier Number (NIU). They shall be eligible only in respect of their new investments in the said zone.

2) The requirements to be fulfilled

90. In order to benefit from the tax advantages laid down in the scheme for the promotion of economically deprived areas, eligible enterprises must make investments satisfying the following criteria:

✓ ***Conditions as to substance :***

- Induce the creation of at least ten (10) direct jobs ;
- Up to 80% of the raw material used should be produced in the economically deprived areas.

91. As the above criteria are alternative, the realization of one of them is sufficient.

✓ ***Conditions as to Style :***

92. Benefitting from the advantages laid down in the scheme for the promotion of economically depressed areas is subject to the prior validation of planned investments by the Tax Administration.

93. For this purpose, the company must submit its validation request to the Director General of Taxation. This must be stamped and accompanied by:

- a copy of its taxpayer card ;
- a copy of its trade register and articles of incorporation in the case of companies ;
- a tax clearance certificate ;
- an investment plan specifying the purpose of the project, the location of the company in the economically deprived areas, the duration of the project, the effects, the number of direct jobs projected, the sources from which raw materials will be obtained, the list of equipment to be acquired, etc.
- evidence of the availability of funding for the project as well as the establishment of the company in the a depressed region (land title, lease, allotment instrument, etc.).

94. After reviewing the application, the Director General of Taxation shall notify the applicant of the approval of the investment project or of its rejection.

3) The tax advantages granted

✓ *For the installation phase which may not exceed three (03) years :*

- exemption from business licence ;
- exemption from VAT for the purchase of goods and services ;
- exemption from registration duties on the disposal of immovable property related to the implementation phase of the project ;
- exemption from property tax on immovable property assigned to the project.

✓ *For the first seven (07) years of operation :*

- exemption from business licence ;
- exemption from company tax and the minimum tax on companies ;

- waiver of payroll taxes and employers' contribution on salaries of personnel they employ.

95. The benefit from exemption from VAT is conditional on the issuance of exemption certificates signed by the Director General of Taxation on the basis of pro forma invoices or import declarations of equipment required for the project.

96. As regards already existing enterprises, the above exemptions shall apply exclusively to operations and profits relating to their new investments in the economically deprived areas. As such, they must keep separate accounts.

4) Control of investments and sanction

97. At the end of each financial year, the Tax Administration shall control the effective implementation of the previously approved investment plan of the companies benefiting from the tax advantages of the scheme for the promotion of economically deprived areas. Upon such verification, it shall, where appropriate, issue a discharge for the renewal of the aforementioned tax advantages.

98. In the event of non-compliance with the approved investment program, the company shall lose the benefit of the tax advantages granted and shall be required to pay the taxes and duties evaded, plus penalties and interest.

99. The annual monitoring of the effectiveness of the previously approved investment plan is the responsibility of the services responsible for monitoring incentive and special tax regimes.

5) Entry into force of this measure

100. The tax scheme for the promotion of investments in economically deprived areas applies exclusively to investments made from the 1st of January 2017.

Section 122: Tax incentives for the agricultural, livestock farming and fisheries sectors

101. The 2017 Finance law has strengthened tax incentives for investments in the agricultural sector

102. Thus, from 1st January 2017, enterprises engaged in agriculture, livestock farming and fisheries will receive the following tax incentives:

- VAT exemption on all machinery and equipment, as well as inputs, fertilizers and pesticides used for agriculture, livestock and fisheries;
- exemption from registration fees as well as levies on land transfers for agricultural projects;
- registration fees exemption on loan agreements for financing agricultural, livestock and fishery activities;
- land tax exemption on properties belonging to agricultural, livestock and fishery enterprises provided they are allocated for such activities;
- wages paid to seasonal agricultural workers by individual farmers are exempt from employee and employer taxes.

103. To benefit from these exemptions, the enterprise or undertaking is not obliged to apply for exemption certificates. However, the tax administration reserves the right to carry out conformity checks for operations that have availed themselves of such exemptions.

104. Finally, the aforementioned exemptions are not cumulative with tax advantages granted under the framework of Law No. 2013/004 of 18 April 2013 laying down incentives for private investment in the Republic of Cameroon.

Section 123: Tax provisions promoting local building materials

105. The 2017 Finance law has enacted fiscal stipulations favourable to public establishments involved with the promotion of such materials.

1) The scope of the scheme for the promotion of local building materials

106. Tax incentives for the promotion of local building material are solely granted to public establishments whose mission is to encourage the use of such products. Consequently, private companies involved in the production and the marketing of local building materials cannot benefit from the tax advantages inherent to this special scheme.

107. This scheme applies exclusively to local building materials manufactured or produced by public institutions, namely baked clay bricks, shaped stones, concrete tiles, cement aggregate tiles.

2) Tax benefits granted

108. They are:

- VAT exemption on the following transactions:
 - the purchase of machinery and materials for the manufacture of local building materials;
 - the sale of the products manufactured from the materials.
- reduced Company Tax rate of 20%;
- a 50% reduction in the taxable base of the monthly company tax instalment.

109. To benefit from the VAT exemption on the purchase of equipment and materials for the manufacture of local building materials, the public establishment engaged in the promotion of such materials shall be obliged to apply for a VAT exemption certificate from the tax administration.

110. The VAT exemption on products manufactured from local inputs does not cover services offered by these promotional establishments, particularly studies and technical assistance. They remain taxable and the VAT relating thereto shall be collected and remitted.

111. The VAT exemption on equipment and finished products shall apply to purchases and sales made as from January 1st 2017. The same applies to the 50% reduction in taxable base of the monthly Company Tax instalment.

112. With regard to the reduced Company Tax rate of 20%, it applies to profits accrued at the end of this year (31st December 2017) and the filing shall be done not later than the 15th March 2018.

Section 124: Incentives to promote local raw material

113. The Finance law of 2017 has devoted a specific tax scheme to encourage new beverages produced and packaged from local raw material.

1) Requirements of the specific tax scheme encouraging new local beverages

114. The benefit of this specific tax scheme shall be subject to the following conditions:

- the beverage produced in Cameroon should be new, that is sold as from the 1st January 2017: consequently drinks already on sale from 31st December 2016 shall not be covered by this scheme;

- the beverage should be produced solely from locally cultivated raw materials: the beverage placed on the market from 1st January 2017 shall be entirely local in its composition and ingredients, save for cases where the ingredient is categorically unavailable on the local market. Unavailability shall be understood as the absence of the ingredient on the local market due to the impossibility to produce it because of unfavourable geographic and climatic conditions. In the latter case, 40% of local ingredients is the required minimum threshold. For the calculation of the minimum rate of 40% of the ingredients used, water is not taken into account but only local raw material (maize, millet, rice, sugar cane, etc.);
- the packaging of the beverage shall be local: this implies that the packaging, labelling and corking shall be manufactured locally from local raw materials;
- when the packaging of these beverages is non-returnable, the recycling shall be done in Cameroon.

2) The tax advantage

115. Where the above conditions are met, the enterprise shall be exempted from the payment of additional specific excise duties on alcoholic beverages. Thus, only ad valorem duties shall be due.

116. The exemption from specific excise duties is not cumulative with the 20% reduction in the basis of the ad valorem excise duty on beverages with an alcohol level inferior to 5.5.

117. The exemption from specific excise duties hereby granted only applies to the additional excise duty on alcoholic beverages. As the case may be, non-returnable packaging remain liable to specific excise duties.

3) Approval requirements

118. In order to benefit from this special scheme, the brewery companies shall submit to the approval of the tax administration the new beverage made from local raw material accompanied by details of its composition. For this purpose, the company shall address to the Director General an application for the approval of the product with the following details:

- the trade name of the beverage;
- date of entry into the market;
- the components of the beverage;

- the source of the local material needed for its manufacture, together with duly signed supply contracts from suppliers;
- the list of locally unavailable ingredients as the case may be, accompanied with proofs of unavailability;
- the recycling process of non-returnable packaging.

119. The new beer shall be approved by the tax administration. The latter may in case of necessity seek for technical advice.

Section 124 a: Tax incentives to promote innovation

120. The Finance law for 2017 has laid down a specific tax scheme for enterprises incurring expenses on research and development.

a. Eligibility to the special tax scheme pertaining to research and development

121. To benefit from research tax credit, the company must fall under the actual earnings tax scheme and have incurred eligible research and development costs.

122. The research and development expenses eligible for the tax credit are as follows:

- depreciation of brand new fixed assets allocated to scientific and technical research operations;
- staff expenses relating to amounts paid to researchers and research technicians directly and exclusively for such operations;
- donations and gifts made to independent researchers;
- expenses related to the acquisition of the rights to exploit the inventions of Cameroonian researchers;
- expenses incurred for carrying out research and innovation operations entrusted to public and private organisations, higher education institutions or to independent researchers approved by the ministry responsible for research.

123. To be taken into account, the above expenditures must be incurred as part of a research and development program aimed at improving production processes, launching of new products on the market or modernizing production tools.

124. Therefore, only the expenses pertaining to the aforementioned exhaustively listed items are eligible.

125. Where the expenditure has been incurred over several years, only the proportionate share related to the referenced year shall be taken in account for the calculation of the tax credit.

b) The tax advantage

126. When the abovementioned conditions are fulfilled, the company benefits from a tax credit equivalent to 15% of research and innovation expenditure. It shall be chargeable for a maximum period of three years following that in respect of which the expenditure was incurred.

127. The tax credit granted for a financial year is, however, capped at 50 million FCFA.

128. Thus, the tax credit is obtained by applying the 15% rate to the expenses corresponding to the above-mentioned research and innovation expenditure. It is imputed from the Corporate Income Tax balance due at the end of the financial exercise. In the event of a deficit or a balance lower than the amount of the tax credit, the tax credit is carried forward to the Corporate Income Tax for the following two (2) years. At the end of the third year, beginning from the date on which the expenditures on research and innovation were incurred, the unallocated tax credit becomes null and void.

129. In the case of a research credit of more than 50 million, only the capped amount is imputed and carried forward where appropriate.

c) The approval procedure

130. Beneficiaries of the research and innovation tax credit deductible on the corporate income tax balance shall submit at the end of the year to their competent tax office, the list of expenses incurred together with evidentiary documents to proof their eligibility.

131. For illustration purposes:

- staff expenses pertaining to researchers and research technicians shall be supported with employment contracts;
- donations and gifts made to independent researchers shall be accompanied with justifications on the status of the researcher duly issued by the Ministry in charge of research;

- expenditure pertaining to the acquisition of the rights to exploit the inventions of Cameroonian researchers shall be buttressed by patents relating to the inventions as well as proof of the researchers Cameroonian nationality;
- expenditure on research and innovation entrusted to public or private organisations and higher education institutions shall be evidenced with duly signed research agreement between the parties.

132. The research and innovation tax credit scheme applies to expenditure incurred from 1st January 2017 and considered in the end of year income statement as at 31st December 2017.

II- PROVISIONS PERTAINING TO THE VALUE ADDED TAX AND EXCISE DUTY

Section 127: VAT liability to the leasing of furnished apartment buildings

133. Furnished dwellings for residential and business purposes are liable to VAT.

134. Thus, from 1st January 2017, owners or managers of furnished rentals (natural or legal persons) shall be obliged to collect VAT and remit it in accordance with the conditions laid down by the GTC.

135. For persons liable to VAT, the latter is calculated at the rate of 19.25% of the amount excluding taxes paid by the tenant.

136. Concerning those persons who are not liable, the VAT is calculated at the rate of 16. 143% as the rents paid are deemed to be tax included.

137. Thus, the collected VAT is remitted according to the procedures spelled out in the GTC.

138. Value Added Tax liability of flats on rent entails the free registration of such contracts in accordance with the provisions of Section 546 A-3 of the General Tax Code.

Section 128 (21): VAT exemption of specialized equipment and materials for people with disabilities

139. The 2017 Finance law exempts specialized materials and equipment for people with disabilities, the list of which is fixed by regulation.

140. This exemption applies exclusively to specialized materials and equipment for persons with disabilities, which is designed for such persons and unusable for other purposes. Imports and local purchases of these goods are covered by this provision.

141. The benefit of this provision is not subject to the procedure for issuing exemption certificates. It shall apply ex officio on the basis of the list adopted by regulation.

Section 128 (22): VAT exemption on urban public transportation by bus

142. Under the provisions of Section 128 (22) of the General Tax Code, urban public transport by bus is exempt from VAT.

143. Pursuant to these provisions, transportation services rendered by any natural or legal person providing mass public transport by bus are exempted from the collection of VAT. According to Decree No 2004/0607/PM of 17 March 2004 determining the conditions to undertake the profession of road transportation and auxiliary road transport, mass public transportation by bus refers to urban and semi-urban transport by coach or bus.

144. For the benefit of this exemption, the aforementioned persons shall provide proof of an urban and semi-urban transport service license by coach or bus duly signed by the Minister in charge of transport, in accordance with Decree No 2004/0607/PM of 17 March 2004.

145. This measure applies to the above services invoiced from 1st January 2017.

Section 128 (23): VAT exemption on universal postal services

146. The Finance law for 2017 provides for the exemption from VAT of services relating to the universal postal service, carried out by public service postal concessionaires under conditions defined by the regulations in force.

147. Thus, from 1st January 2017, services rendered by any postal service dealer shall not be liable to VAT when they are of universal postal service in nature. Postal services provided outside a public service concession do not fall within the scope of this provision.

148. Pursuant to law No. 2006/019 of 29 December 2006 governing the postal activity in Cameroon. Here, universal postal service is defined as the provision of postal services of general interest at affordable rates anywhere in the national

territory. The following services shall be regarded as basic postal services and consequently exempt from VAT:

- the collection, sorting, transport and distribution of parcels;
- mailbox service;
- the money order service;
- services related to postal cheques.

149. To benefit from this exemption, the company shall show prove of a valid public postal service concession. However, no exemption certificate is required.

Section 128 (24): Value Added Tax regime on bonds issued by the State and local authorities

150. The 2017 Finance law exempts interest on bonds paid by the State and decentralized local authorities from VAT.

151. This exemption from VAT prohibits the collection of VAT on interest paid in connection with government bonds and local authorities.

Section 14I a (new): New modalities for calculating ad valorem excise duty on certain alcoholic beverages

152. The Finance law for 2017 amends the provisions of Section 141 of the General Tax Code. It introduces a new method of calculating the tax base of the ad valorem excise duty on alcoholic beverages with an alcohol content less than or equal to 5.5%.

153. For these specific beverages, a 20% reduction is applied for the calculation of the ad valorem excise duty on the taxable base.

154. The 20% reduction on the basis of assessment of the ad valorem excise duty shall not apply to beverages with a degree of alcohol less than or equal to 5.5% when these beverages are precluded from specific levies.

155. Specific excise duty (specific on alcohol and packaging) remain due on beverages benefiting from the above basic reduction.

156. This provision applies to beer supplies made from 1st January 2017.

Section 142 (9): The introduction of a specific excise duty on certain packaging

157. The Finance law for 2017 introduces a specific excise duty on non-returnable packaging.

- **Packaging covered by this provision**

158. These are non-returnable packaging i.e. sold to the customer alongside goods. From an accounting perspective, these packages fall under the category of lost packages, the value of which is integrated in the sales price of the goods as opposed to packaging which is simply deposited with the customer for subsequent recovery by the production company.

159. It also concerns packaging containing beverages and all sorts of liquid without distinction. Empty packaging is not concerned by this stipulation.

- **Assessment**

160. The taxable base shall consist of the packaging unit corresponding to the direct conditioning of the beverage or liquid. Indirect packaging, which may in itself consist of a packaging containing several units of products packaged in the same way like a pack of mineral water is not concerned.

- **Specific excise duty rates for packaging containers**

161. The tariffs set out in Section 142 (9) are as follows:

- 15 CFA francs per non-returnable packaging unit for alcoholic beverages and soft drinks;
- 5 CFA francs per non-returnable packaging unit for all other liquids

162. Alcoholic beverages are all drinks containing alcohol. These include beer, wines, whiskey and other liquor and spirit.

163. Soft drinks, on the other hand, refer to beverages containing carbon dioxide from a mineral source obtained by fermentation.

164. Other liquids refers to those that are neither alcoholic or soft drinks. These include mineral water, edible or non-edible oils, natural fruit juices, yogurts and other concentrates in liquid state.

- **Collection modalities**

165. The specific excise duty on packaging included in the price of the goods shall be collected and repaid as follows:

- for the producer during the filing of the monthly returns;
- for the importer, during the filing of the monthly return in the tax office one month after the importation.

166. The collection of the specific excise duty on packaging shall not be exclusive of the payment of the ad valorem excise duty and the specific excise duty on alcoholic beverages under the conditions set out by the legislation in force.

Section 149: Consecration of marketer's entitlement to VAT refund

167. The Finance law for 2017 enacted the eligibility of marketers to VAT refund inherent to their investments. This measure is subject to two conditions:

- the VAT credits shall exclusively be generated from investments relating to the construction of filling stations;
- the impossibility to deduct the VAT incurred in the construction of filling stations by the normal imputation mechanism within one (1) year.

Concerning the second condition, it is deemed to have been satisfied when the amount of VAT collected on the turnover of the year N-1 increased by 10% cannot allow the complete deduction of the credit inherent to the investment.

168. VAT refund to marketers shall be processed within three (3) months from the date of submission of the application together with all the required documents.

169. This provision shall apply to investments made from the 1st of January 2017. Accordingly, VAT credits resulting from investments made prior to that date shall not be eligible for refund. However, they may be subject to compensation under the conditions set out in the General Tax Code.

III- PROVISIONS RELATING TO TAXES AND MISCELLANEOUS LEVIES

Sections 206 and 208: Broadening the tax scope of games of chance and entertainment to games organized by telephone operators

170. Under the provisions of the Finance law for 2017, games and bets made by telephone companies are subject to the tax on games of chance and entertainment in the same way as games organized by specialize and duly authorized companies.

- **Scope**

171. Gambling companies that offer gambling and betting via SMS, internet or value-added services are now subject to the tax on games of chance and entertainment.

- **Assessment**

172. The basis for this tax is the turnover on the games and bets offered to subscribers by the telephone companies.

- **Gambling and entertainment tax rates**

173. The tax on games of chance and gambling is calculated at the rate of 15% plus 10% additional council tax.

- **Collection modalities**

174. Telephone companies are obliged to file their returns to their competent tax office accompanied by payment within 15 days after the month of completion of the taxable transactions.

175. The tax on gambling and entertainment is not exclusive to the payment of VAT and excise duty on mobile phone calls and internet services.

176. This provision applies to games and bets offered by telephone companies from 1st January 2017.

Sections 221 to 224 and C52 (a): Introduction of an accommodation tax

177. The 2017 Finance law institutes an accommodation tax based on the number of nights spent in hotels and other accommodation facilities.

1. Scope

178. Hotels and duly authorized or unauthorized accommodation establishments are subject to the accommodation tax. These include hotels, motels, inns, furnished rentals, etc.

2. Acts constituting liability and liability for payment of accommodation tax

179. The sojourn of a customer in a classified or unclassified accommodation establishment is the event that gives rise to the tax liability. Actual sojourning refers to staying for at least one night in such establishments.

180. The accommodation tax is due on the actual number of nights spent including those invoiced to a customer due to late cancellation of bookings.

181. Liability arises when the establishment issues the receipt to the customer.

3. Rates

182. The rates of the accommodation tax are fixed as follows:

- 5 star hotels: 5. 000 FCFA per night;

- 4 star hotels: 4. 000 FCFA per night;

- 3 star hotels: 3. 000 FCFA per night;
- 2 star hotels: 1. 000 FCFA per night;
- 1 star hotels and other accommodation establishments not classified: 500 FCFA per night.

4. Collection and filing modalities

183. The customer of the accommodation establishment is the actual payer of the accommodation tax. The latter shall pay the tax at the time of settling his invoice. As the legally liable person of the accommodation tax, the hotel establishment is responsible to collect and remit the tax latest on the 15th of the month following that of payment in the course of its monthly filing.

184. The filing of the accommodation tax is done on a form provided by the tax administration.

185. Failure to file and remit the accommodation tax within the statutory time limit by the hotel establishment gives rise to penalties provided for in the Tax Manual.

5. The allocation of the accommodation tax

186. The proceeds of the residence tax are allocated as follows:

- State: 80%
- Municipality in which the accommodation establishment is situated: 90% of 20%, i.e. 18%
- Assessment and collection fees: 10% of 20%, i.e. 2%

187. The accommodation tax is due as from 1st January 2017 on all nights billed by accommodation establishments.

188. Finally, it is worthy to precise that the accommodation tax is included in the basis of assessment of the Value Added Tax in accordance with the provisions of Section 136 of the General Tax Code.

Section 225, 225 (b) and 228: New provisions relating to the Special Income Tax

189. The Finance law for 2017 amends the Special Income Tax regime in Cameroon. Thus, the modification distinguishes between the Special Income Tax regime on public procurement and the conventional Special Income Tax.

1. The Special Income Tax regime for public procurement

190. The Finance law for 2017 introduces a reduced rate for the Special Income Tax as well as an exemption for certain transactions concerning remuneration for services relating to public procurement.

- **The reduced rate of 5%**

191. The reduced rate of 5% is applicable to remunerations paid to contractors resident out of Cameroon within the framework of public contracts.

- **Exemption from the Special Income Tax**

192. From January 1st, 2017, the remuneration paid in connection with the public contracts relating to the acquisition of medicines and medical supplies is exempted from the SIT.

193. Public procurement means all orders placed by the State, the Local Authorities (LA), the Public Administrative Establishments (EPA), as well as public enterprises and semi-public companies in which the State Holds a controlling interest in the capital.

2. The conventional Special Income Tax regime

194. In addition to the remuneration relating to the public order referred to above, other remunerations are subject to the SIT at the standard rate of 15% or at the reduced rate of 10%.

- **The normal rate of 15%**

195. The normal rate of 15% applies to the sums paid in respect of benefits of any kind provided or used in Cameroon, with the exception of those subject to the reduced rate of 10%.

- **The reduced rate of 10%**

196. The reduced rate of 10% applies to remunerations for one-off contracts paid to companies that have opted against the classical filing of returns. These companies shall obligatorily request the approval for the SIT regime from the Director General of Taxation.

3. New modalities for remitting the Special Income Tax

197. From the 1st of January 2017, the remitting period of the SIT shall tally with that of other ordinary taxes, notably on the 15th day of the month following that during taxable operations were carried out.

198. For illustration purposes, the SIT due on remuneration for a service rendered to a Cameroonian company by a foreign provider and paid on the 8th of January 2017 shall be filed and remitted by 15th February 2017 at the latest.

199. This provision is applicable to all transactions paid or considered in the account books as from the 1st of January 2017.

IV- PROVISION RELATING TO SPECIFIC TAXES

Sections 231, 233, 234, 235, 236, and 237 (2): New provision relating to the Special Tax on Petroleum Product (STPP)

200. The 2017 Finance law readjusts the tariffs and the filing deadline of the STPP, and deletes the Road User Charge (RUC).

1. STPP rates for 2017

201. As from the 1st of January 2017, the new tariffs for the STPP are as follows:

- 110 francs per litre of super;
- 65 francs per litre of diesel fuel.

2. Deadline for filing and remitting the STPP

202. The deadline for filing and remitting the STPP collected by the Cameroon Petroleum Depot Corporation (SCDP) and the National Refinery Corporation (SONARA) is now set for the 20th of each month for operations carried out during the previous month.

203. This provision, which takes effect from 1st January 2017, concerns the removal of petroleum products from SONARA and SCDP as of January 2017 and the filing deadline is the 20th of February 2017.

3. Confirming the suppression of the Road Users Charge

204. The Finance law for 2017 suppresses the Road User Charge while confirming the allocation of a proportionate share of the proceeds of the STPP to the Road Fund.

205. The remittance of this proportionate share, which is set at F CFA 60 billion for the 2017 financial, is assured by the competent services of the Treasury.

Section 239 (a): Rationalization of the rates of certain mining levies

206. The 2017 Finance law aligns the provisions of the GTC with those of the Mining Code and stipulates the possibility of collecting mining levies in kind.

- **The new rates of the ad valorem tax and the Annual Surface Royalty**

207. As from 1ST January 2017, the rates applicable to the ad valorem tax on mineral substances are as follows:

- Precious stones (diamond, emerald, ruby, sapphire): 8%;
- Precious metals (gold, platinum, etc.): 5%;
- Base metals and other mineral substances: 5%;
- Radioactive substances and their derivatives: 10%;
- Geothermal reservoirs, spring waters, mineral and thermo mineral waters: 800 Francs / m3.

208. The rates for surface royalties on research permits are now as follows:

- 1st year: from 1,000 FCFA to 5,000 FCFA / Km2 / year;
- 2nd year: from 2,000 FCFA to 6,000 FCFA / Km2 / year;
- 3rd year: from 4,000 FCFA to 7,000 FCFA / Km2 / year;
- 4th year: from 5,000 FCFA to 14,000 FCFA / Km2 / year;
- 5th year: from 6,000 FCFA to 15,000 FCFA / Km2 / year;
- 6th year: from 7,000 FCFA to 30,000 FCFA / Km2 / year;
- 7th year: from 7,000 FCFA to 31,000 FCFA / Km2 / year;
- 8th year: 62,000 FCFA / Km2 / year;
- 9th year: 63,000 FCFA / Km2 / year.

209. For the calculation of the surface royalty, the date to be considered is that of the first allocation. For illustration purposes, a research permit issued for the first time in 2010 will be submitted in 2017 to the surface fee for the eighth year tariff, i.e. CFAF 62,000 / Km2.

210. The new rates of the ad valorem tax shall apply to the products extracted from the 1st of January 2017. Concerning the new tariffs for the surface royalty, they shall apply to permits valid on 1st January 2017 or granted from that date.

211. In addition, Law No. 2016/017 of 14th December 2016 on the Mining Code reviewed certain fixed levies due upon the granting, renewal or transfer of mining permits, as well as the annual surface royalties for Industrial, small-scale and artisanal mining. Although not yet included in the General Tax Code, these new rates are applicable from the date of their entry into force.

- **Modalities for collection in kind of certain mining levies**

212. The Finance law for 2017 provides for the possibility of collecting in kind the ad valorem tax on mineral substances and the company tax payable by companies engaged in semi-mechanized artisanal mining.

213. Such collection shall be done on the gross output of the said company.

214. The accounting modalities of this collection in-kind will be specified in an instrument signed by the Minister for Finance.

215. Section 5 of the Finance Law for 2017 laid down the principle that conventions and agreements signed by the authorities and providing for customs or fiscal exemptions shall seek the approval of the Minister in charge of Finance. As such, for it to be recognized by tax authorities, mining agreements that derogate the legal provisions in force (General Tax Code, Mining Code) must necessarily be accompanied by the prior approval of the Minister in charge of Finance.

Section 242: Confirmation of the taxation of logs coming from Community and communal forests under the felling tax

216. The finance law for the year 2017 confirms that the logging of timber from community and communal forests is subject to the felling tax, irrespective of the nature of the operation (direct sales, cutting, concession or personal authorization of logging).

217. Pursuant to this provision, logs coming from Community and communal forests are systematically liable to the felling tax which shall be filed and remitted by the person liable at his tax office under the terms and conditions in force.

218. Where logging is contracted out, the felling tax is payable by the council or the promoter of the community forest. On the other hand, when it is made on the basis of a forest permit, the felling tax is due by the holder of the permit.

219. For clarification purposes, it applies to logs felled as from the 1st of January 2017 as well as to those felled prior to that date.

Section 243: New provisions pertaining to the Annual Forestry Royalty (AFR)

The 2017 finance law introduces some adjustments to the Annual Forestry Royalty (AFR) regime. These relate to the scope, the time frame for remittance and allocation of the said royalty.

1) The extension of the scope of the AFR to include all standing volumes

220. The 2017 finance law now levies the AFR on standing volumes granted to specific developmental project sites, as is the case for all other forestry exploitation authorizations. Henceforth, forestry companies with standing volumes shall no

longer be liable to the discharge tax assessed on the basis of the tender price as was previously the case.

221. This measure is applicable to all standing volumes including those issued before the 1st of January 2017, in as much as they remain valid.

2) The deadline for remittance of the AFR

222. The 2017 finance law harmonises the deadlines for the filing and remittance of the AFR irrespective of the type of forestry exploitation licence (concessions or standing volumes) as was the case until the 31st of December 2017. The AFR is henceforth filed and remitted regardless of the type of exploitation licence as follows : 15th

- 15th March 2017 for the first instalment ;
- 15th June for the second instalment;
- 15th September for the third instalment.

3) The allocation modalities of the AFR

a) The principle

223. Pursuant to the provisions of the 2017 finance law, the distribution of the proceeds of the AFR collected for the 2017 fiscal year remain the same as before. The said allocation stands at :

- The State : 50%
- Councils : 50%, of which
 - Assistance for tax collection : 5 % ;
 - Centralisation at FEICOM : 18 % ;
 - Council of location of the exploitation permit: 27 %.

b) The modification : effective consideration of projects carried out by local populations

224. The 2017 finance law enshrines the obligation for municipalities in which the logging permits are exploited, to take into account the developmental projects carried out by local populations.

225. In view of this new requirement, the legislation in force stipulates that a quarter (6.75%) of the 27% of the share of the AFR given to municipalities where the logging title is located must be allocated to developmental projects of the local population.

226. Thus, according to the provisions of the law, the management of the quota of 6.75% remains bestowed on the municipalities and as such subject to public accountability.

227. For the practical implementation of this amendment, the projects carried out by the said populations ought to be included in the budgets of the local municipalities and managed in a distinct and traceable manner.

Section 254 (4) : Adjustment of the depreciation period of license fees paid by a public service concessionaire to the granting authority

228. The 2017 finance law introduces adjustments to the tax regime governing public service concessions. Case in point is the extension of the duration of the depreciation period of the license fees paid to granting authority from ten (10) to fifteen (15) years.

229. This provision shall be applicable to concessions granted as from the 1st of January 2017.

230. Concerning concessions already in existence and for which the fees have not yet been paid, the maximum amortization period of 15 years is applicable.

231. For concessions whose depreciations are still ongoing, the depreciation expenses should take into account the new depreciation period of 15 years. As from this fiscal year, depreciation annuities should be calculated on the basis of the net book value taking into account the number of years pending.

232. Case study: A company pays license fees of FCFA 100 million in 2015. Pursuant to the provisions of the legislation in force in 2015 which allowed for a ten year period for the depreciation of the said sum, the depreciation annuity expensed in the course of the 2015 fiscal year amounted to 10 million. With the new depreciation period now set at 15 years the depreciation annuity for 2016 will be calculated on the basis of the net book value of CFAF 90 million, taking into account the 14 remaining years. This corresponds to 6,428,000.

233. As a matter of fact, the new provisions apply both to license fees paid before the 1st of January 2017 and to those due after that date.

III- PROVISIONS PERTAINING TO REGISTRATION AND STAMP DUTIES

Section 543 : Registration duties of contracts of state owned and semi-public companies

234. The 2017 finance law establishes a specific regime for the registration of public contracts of state owned and semi-public companies. With effect from the 1st of January 2017, these procurements shall be registered based on the following rates:

- 2% for contracts worth less than or equal to 5 million FCFA;
- 1% for contracts worth more than or equal to 5 million FCFA.

235. The registration modalities of contracts of the State, local and public administrative authorities remain unchanged. These contracts remain liable to the 5% rate for those amounting to or less than 5 million and 2% for contracts in excess of 5 million.

236. These new rates are applicable to contracts signed on or after the 1st of January 2017.

Section 546 A-3 : Cancellation of the proportional rate for the registration of deeds for the leasing of movables and heavy machinery liable to VAT

237. The 2017 finance law clarifies the tax regime of the leasing of furniture and heavy duty vehicles with regard to VAT and registration duties. The said law basically seeks to eliminate the risk of double taxation on such operations.

238. As such, the rental of furniture and heavy duty equipment is henceforth registered free when they are subject to VAT.

239. Only the rental of movables and heavy vehicles actually liable to VAT shall benefit from the gratuity of the registration formality. Should the contracts in question not fulfil the conditions required for liability to VAT, such rentals shall be liable to registration at the proportional rate, pursuant to the provisions of sections 342 (1) and 543 (c) of the General Tax Code. This is especially the case when the lease is done by a person not liable to VAT.

240. This measure is applicable to all transactions carried out with effect from the 1st January 2017.

Section 546 a : Consecration of the principle of the administrative assessment of movable property

1. Principle

241. The 2017 finance law extends the administrative assessment for the determination of the tax base for the collection of registration fees to movables. As a result, a price list for the determination of the administrative values of used cars shall fix the reference prices to be considered for the registration purpose.

242. The values contained in the price list are minimum values. Therefore, they should only be used as basis of assessment of the tax liability only when the price declared by the tax payer is lower than the administrative price

2. Modalities for the electronic registration of the sale of movables

243. In like manner with the sale of immovable assets, the deeds for the sale of movable assets can be filed in electronically. These facilities shall be progressively implemented. Tax centres which do not have e-filing terminals shall continue to receive manual tax returns. None the less, the price list shall be the basis of assessment irrespective of the filing modality (electronically or manually).

244. Generally, the registration process shall vary depending on whether the movable is imported or is sold within the national territory.

- **The Case of imported cars**

245. An importer of a used vehicle, using the vehicle's identification form (CIVIO form), declares the transaction via the DGT's web portal. The system assesses all the taxes due, namely registration and stamp duties, the axle tax for vehicles with payload greater than 3 tonnes.

246. The importer subsequently prints out the tax assessment notice generated by the e-filing program and proceeds to the payment of the taxes due at the bank (via transfer or directly at the bank's teller) into the account of the revenue collector against the issuance of a receipt.

247. The issuance of the customs clearance certificate and eventual crossing of the customs border shall be subject to the presentation of the receipts for the payment of the registration and the stamp duties on the automobile registration certificate.

• **The case of sales within national territory**

248. The buyer of the used-vehicle files in the sales certificate electronically via the web portal of the DGT.

249. The system assesses all the taxes and duties to be paid, namely registration and stamp duties and the axle tax for vehicles whose payload is greater than three Tons.

250. The purchaser prints out the electronically generated tax assessment notice and proceeds with the payment of the taxes due into the account of the revenue collector of the Specialised Unit for Registration. The payment is done via bank transfers, with the aid of Electronic Payment Terminal or by cash at the level of the bank tellers.

251. The sales certificate, duly stamped and registered, alongside the payment receipts of the taxes due, shall be forwarded at the end of the day to the Regional Delegation of Transport for the purpose of drawing up the automobile registration certificate.

252. Since stamp duties have already been e-filed and paid, no further payment shall be required at the level of the transport office.

Sections 594, 595, 597 and 601 : Revision of certain provisions pertaining to the automobile stamp duty reform

253. In view of the entry into force of the reform of the stamp duty on motor vehicles, on the 1st of January 2017, certain adjustments have been made for a hitch free application of the said reform. These include:

- The exemption of administrative cars from liability to the said tax ;
- the institution of the stamp duty rate for three-wheel (03) vehicles which did not fall into the scope of the said tax ;
- the alignment of the scheme of sanctions to the new collection modalities at the behest of insurance companies.

254. The application modalities of this new reform including the abovementioned adjustments have already been clarified by the Minister of Finance in circular number N°006150/MINFI/DGI/LRI/L of the 7th of December 2016. Do well to refer to the said circular for any further clarifications.

IV- PROVISIONS RELATING TO THE MANUAL OF TAX PROCEDURES

Section M2: Clarifications on the electronic filing of tax returns

255. The 2017 finance law specifies the terms and conditions for the electronic filing of voluntarily paid taxes. It recalls that the tax assessment notice generated by the system in the course of the e-filing must be presented at the bank as supporting document for payment of the corresponding taxes.

256. However, the assessment notice is not required for the payment of the taxes issued on recovery notices. The same goes to those issued on assessment forms for tax payers lodged in non-computerized tax centres. In such cases, in lieu of the assessment notice, the taxpayer would be required to provide a recovery notice or tax assessment form as the case may be.

257. The electronic filing of taxes is open to all taxes which are liable to be electronically filled.

258. The subsequent clarifications have been brought in to ensure the adequate application of the method of filing :

- **The deadline for e-filing**

259. The deadline for the e-filing of taxes remains the same regardless of the manner of filing (manual or electronic).

260. When the return is filed electronically, the date to be taken into account is that on which the tax notice is generated by the system. Any late filing shall be judged with effect from this date.

- **The deadline for bank transfers**

261. Cognisant of the fact that bank transfers are recognised as a method of paying taxes, they ought to be carried out within the statutory time limits. For instance, the payment of the VAT should be done no later than the 15th of the month following the date on which the tax is payable.

262. The transfer date to be taken into account is that on the bank transfer certificate issued by the bank. Any delays shall thus be assessed with effect from this date.

- **The sanctions applicable**

263. The sanctions applicable for the late e-filing or payment of taxes are similar to those applicable in manual filing or payment by cash. As such penalties and late payment interests should automatically be applied.

Section M 7: extension of the exclusive payment of taxes by bank transfers to taxpayers of specialized tax centres

264. Before the entry into force of the 2017 finance law, only taxpayers of the large and medium size tax payer units were compelled to pay their taxes solely via bank transfers.

265. As from the 1st of January 2017, the compulsory payment of taxes solely via bank transfers or other electronic methods has been extended to specialized tax centres.

266. E-payment of taxes entails any payment done electronically such as with the aid of a telephone device (mobile money); internet or any other automated method of payment as the case may be.

267. Specialised tax centres refer to :

- Specialized tax centres in regions not bestowed with medium size tax payers units;
- Specialised tax centres for liberal professions and real estate (CSIPLI);
- Specialized tax centres for public administrative establishments, local authorities and other public establishments (CSI/EPCTDOM).

268. However, with regards to CSI/EPCTDOM, the remittance of the non-commercial revenue taxes on bonuses and gratifications or other taxes withheld at source from imprest funds may be done into the accounts of the revenue collector at the level of the banks or into the accounts of the said revenue collector at the Treasury.

269. For reminder purposes, all payments by bank transfers should result in the issuance of a receipt by the financial establishment. The payment receipt is automatically issued by the Revenue office upon presentation of the attestation of bank transfer. This may be automatically sent to the taxpayer by any electronic means.

270. The Revenue collectors of these centres are reminded of the need to reconcile on a daily basis the accounts pertaining to the payments of taxes via bank transfers and mobile payment. Specialized units and agents charged with this duty have to be put in place in revenue offices for the said purpose.

Section M.8: Guideline for the invoicing of bank transfer charges for the payment of taxes

271. The cost linked to bank transfers for the payment of taxes and duties have been reviewed in the 2017 finance law. As such, the charges linked to such operations should vary from 500 to 10 000 FCFA. Notwithstanding, these charges should by no means exceed 10 % of the taxes paid.

272. For the application of this provision, the following ought to be taken into account:

- The bank charges for the transfer of tax payments should be fixed at a rate between 500 and 10 000 FCFA;
- The bank charges for the payment of taxes should by no means exceed 10 % of the amount of taxes to be paid;
- The said rates should equally cover the bank transfer and the costs for the issuance of the bank transfer attestation. In other words the total charges involved in the payment of taxes via banks should not exceed the 10 000 FCFA threshold or 10 % of the taxes paid.

273. The provisions above are applicable to all transfers carried out from the 1st of January 2017.

274. For illustrative purposes, the following scenarios can be envisaged:

- The fees invoiced by the bank are in the range of 500 to 10,000 FCFA and do not exceed 10% of the amount of tax transferred;

- The fees invoiced by the bank are in the range of 500 to 10 000 FCFA but exceed 10% of the amount of the tax transferred: in this case, these costs must be capped at 10% of the tax amount to be paid;
- The fees invoiced by the bank exceed the 10 000 FCFA cap but do not exceed 10% of the amount of tax transferred: in this case the taxpayer pays only 10 000 FCFA.

Section M 94 (a): Application procedures for the tax clearance certificate

275. The 2015 finance law consecrated the tax clearance certificate as the unique document issued by the tax administration as proof of the taxpayers' compliance vis à vis the tax administration. In this regard, the 2017 finance law clarifies the instances in which this document is required, the conditions for its issuance and the duration of its validity.

1) Taxpayers entitled to apply for the tax clearance certificate

276. The tax clearance certificate shall be issued on request to any natural or legal persons who are liable to the payment of taxes and duties. This document certifies that the taxpayer has no tax debt due on the date of its issuance.

2) Conditions of issuance and authorities empowered to sign the tax clearance certificate

277. The tax clearance certificate is issued upon verification of the taxpayers' compliance with regards to all taxes and duties to which they are liable under the following conditions :

- where the taxpayer making the request does not have any tax debt;
- where the taxpayer has a tax debt, benefits from a stay of execution or a moratorium duly granted by the competent authorities.

278. The tax clearance certificate shall be signed by the head of the taxpayer's tax centre. It may also be issued electronically where appropriate.

279. The respite of payment and moratorium which are the only documents which suspend the tax collection procedure are issued exclusively by :

- Regarding the moratorium: the Head of the Regional Tax Centre, the Director of Large Taxpayer Unit or the Director General of Taxes respectively for claims below FCFA 30 million, FCFA 100 million and above FCFA 100 million;
- The authorities responsible for tax disputes concerning the stay of execution are, according to the levels of appeal, the head of the Regional Tax Centre, the Director of the Large Taxpayer Unit, the Director-General of Taxes, the Minister of Finance or the Administrative judge.

280. The tax clearance certificate issued to taxpayers who benefit from a respite of payment or a moratorium must make reference to the tax debt due and the instrument which suspends the tax collection process.

281. Operational units are reminded that this document is issued freely. As such, no charges should be paid by the taxpayers besides the fiscal stamp affixed on the application.

3) Issuance modalities and validity

282. The tax clearance certificate can be issued based on either of the following two (02) modalities:

- Either manually upon request of the taxpayer and after a complete examination of his/her tax situation with regards to all taxes and duties due by the latter. In such instances; the tax clearance certificate is signed by the taxpayers' chief of centre within 24 hours;
- Either manually based on an electronic request by the taxpayer via the web site of the tax department (www.impots.cm). In this case, the tax clearance certificate is automatically granted without any additional formalities.

283. The tax clearance certificate has a three (03) months validity period with effect from the date of signature. This can be curtailed to one (01) month when the liable person benefits from a stay of execution or moratorium.

284. Valid tax clearance certificates shall be made available at the web site of the tax department. All administrations and other public or private entities requesting this document are called upon to verify their authenticity on the web site of the tax administration (www.impots.cm).

4) Administrative procedures requiring the presentation of a tax clearance certificate.

285. As from the 1st of January 2017, the production of the tax clearance certificate shall be required from all taxpayers who request from public or Para public administrations either of the following documents:

- Permits
- Licences
- Certifications
- Attestations
- Authorisations or any accreditations

286. Consequently, all requests introduced for the obtention of any of the above documents, shall bear the tax payers registration number and be accompanied by the tax clearance certificate. Failure to include these shall render the request inadmissible.

287. The tax clearance certificate replaces the tax or non-tax certificate and the non-indebtedness tax slip. It is the sole document valid for the justification of the taxpayers' compliance in all administrative procedures.

288. Likewise, all previous procedures which required the presentation of the business license, the audit or control of the business license shall henceforth be done on the basis of the tax clearance certificate, which henceforth annuls and replaces all previous documents required for the said purposes.

289. These provisions are applicable to all procedures and requests introduced as from the 1st of January 2017

Section M 127: consecration of the obligation for the issuance of an appeal deposit certificate for claims filed at the level of administrative courts

290. In order to align with the procedures before the administrative courts, the 2017 finance law introduces the obligation of the issuance of the appeal deposit certificate in lieu of the acknowledgement receipt.

291. For reminder purposes, pursuant to the provisions of section 32 of law No 2006/022 of December 29th 2006 defining the organization and functioning of administrative courts, the court registrar issues a certificate attesting to the filing of claims before the said court.

V- Provisions pertaining to local taxes

Sections C7, C10, C13, C21,C22, C23, C24, C25, C26, C 31: The business licence reform

292. Several reforms have been introduced in the 2017 in view of simplifying and modernizing the business licence. These reforms pertain to the assessment, filing, payment modalities, the instrument attesting to the payment, and the taxpayers' obligations with regards to the business licence.

1) The new assessment, filing and payment modalities of the business licence

293. The assessment, filing and payment modalities of the business licence have been simplified via the following measures :

- The simplification of the rates and assessment modalities;
- The consecration of the possibility of e-filing and e-payment of the business licence ;
- Enhanced security of the methods of payment.

i) The simplification of the rates and method of assessment of the business licence

294. The seven (07) categories of the business licence hither-to applicable have been replaced by three (03) classes of the turnover which correspond to the current segmentation of the taxpayer population (large, medium and small enterprises). Likewise, the law consecrates a single rate for the global amount due.

295. The rates of the business licence are henceforth determined as follows:

- 0.159% for large companies, the minimum amount due is set at 5 million FCFA and the maximum amount set at FCFA 2.5 billion;
- 0.283 % pour medium size companies and the minimum amount set at FCFA 141 500 and the maximum amount set at FCFA 4 500 000;
- 0,464 % for small size companies, with a minimum amount set at FCFA 50 000 and a maximum amount of 140 000 FCFA.

296. Large companies refer to those in the portfolio of the Large Tax payers Unit. Medium size companies refer to those of the portfolio of the Medium Size Taxpayers Office, specialized tax centres, specialized centres for liberal

professionals or real estate. Small size tax payers refer to those in divisional tax centres.

297. To guarantee equity, minimum and maximum amounts have been determined for each taxpayer category.

298. The business licence is assessed by applying the aforementioned rates to the tax free amount of the taxpayers' turnover for the last fiscal year.

299. New taxpayers who are deemed not to have realized any turnover are exempted from the payment of the business licence. This is especially the case with those registered at the one-stop shop for the creation of companies. With regards to taxation, only the taxpayers' card shall henceforth be issued by these centres.

300. It should be noted that the 5 % reduction granted for every 500 million FCFA for those with turnovers in excess of 02 billion FCFA has been repealed. As such the business licence shall be issued on the taxpayers' total turnover without the application of any reduction.

301. The amount of the business licence obtained as indicated above comprises :

- The principal amount of the business licence shared between the urban council, municipalities and the local council support fund (FEICOM);
- The audiovisual licence earmarked for the Cameroon Radio Television (CRTV)
- The additional council tax earmarked for the Chamber of Commerce, Industry, Mines and Handicraft (CCIMA) or the Chamber of Agriculture, Fisheries, Livestock and Forestry (CAPEF)
- The local development tax earmarked for the local council.

302. The business licence is attributed to each beneficiary according to the rates and procedures statutorily defined. For the purposes of simplification, the following rates shall be used to determine the entitlements of each beneficiary:

- Councils: 39.4%
- FEICOM: 9.85 %
- CRTV: 49,27 %
- CCIMA/CAPEF: 1,48%

- Assessment and collection fees: 10 % of the amount earmarked for each beneficiary.

303. The amount of the local development tax assessed in accordance with the provisions of the section C 58 of the General Tax Code shall be deducted from the general amount of the business licence due and the difference shall be shared among the various beneficiaries in accordance with the method of apportionment above.

304. The abovementioned assessment modalities are applicable to all taxpayers liable to the business licence including transporters. This reform abrogates the specific regime for the assessment of the business licence for transporters based on the number of seats for the transporters of persons and payload for transporters of goods.

305. As such, the business licence of transporters of goods and persons shall be assessed based on the declared turnover as is the case with other industries liable to this tax. These transporters shall pay the business licence according to the same modalities and within the same deadlines as that applicable to other companies.

ii) The e-filing and payment of the business licence

306. The business licence is henceforth filed and assessed by the liable persons with the aid of a form issued by the tax administration or online via the e-filing application.

307. Pursuant to the provisions of section C 23 of the General Tax Code, the business licence shall be filed and paid at most two months after the start of any fiscal year in cases of renewal or after the end of the temporal exemption period for newly created companies.

iii) Payment modalities of the business licence

308. When the assessment of the business licence is done manually, the competent services shall issue an assessment form which serves as the basis of payment. The revenue collector shall upon collection proceed with the distribution to the various beneficiaries.

309. Should the business licence be e-filed via the web site of the tax department (www.impots.cm), the assessment notice automatically generated serves as the basis for payment.

310. The payment of the business licence shall be done pursuant to the modalities defined by section M 8 of the Manual of Tax Procedures. It should be noted that the payment of the business licence for taxpayers of the specialized tax units shall only be carried out by bank transfers.

2) **The cancellation of the business licence certificate**

311. As from the 1st of January 2017, the business licence certificate shall no longer be issued. The taxpayer may however request for the issuance of the tax clearance certificate which henceforth becomes the sole document attesting to the payment of all taxes, including the business licence.

312. The conditions for the issuance of the business licence are outlined in section L 94 and commented above.

3) **Specific obligations for persons liable to the business licence**

313. Pursuant to the provisions of section C 21 of the General Tax Code, persons liable to the business licence must respect the following obligations:

- the obligation to file any new activity liable to the business licence at their competent tax centres within fifteen (15) days. This obligation is equally applicable in the case of an exemption from the said tax;
- the obligation to present, at the request of the tax administration, a valid tax clearance certificate. The company is however not compelled to publicly paste the tax clearance certificate issued in lieu of the business licence certificate.

4) **Sanctions applied**

314. Failure to present a valid tax clearance certificate to agents charged with controlling the payment of the business licence shall entail immediate closure of the establishment, without prejudice to the penalties provided for elsewhere.

315. For transporters, failure to present a valid clearance certificate shall entail the impoundment of the vehicle.

Section C 104: Increase in the rate of the council stamp duty

316. The 2017 finance law increases the rates of the council stamp duty in the bid to increase the resources of the municipalities.

317. With effect from the 1st of January 2017, the rates of the council stamp duty are set at:

- 600 FCFA documents on formats less than A4 papers;
- 1000 FCFA for any other documents on formats exceeding the dimension of A4 papers.

318. The beneficiaries and the collection modalities of the council stamp duty remain the same.

Section C 138: Alignment of the rules regarding the payment of tax cautions for local taxes to those applicable to other taxes.

319. The 2017 finance law shifts the payment of a 15% caution on the payment of taxes due in the course of the tax dispute procedure hitherto required at the first level of the dispute before the mayor to the second level of appeal at the level of the Senior Divisional Officer.

320. From the 1st of January 2017, the 15 % caution required to contest communal taxes will no longer be required at the first level, but rather at the level of the Senior Divisional Officer.

321. This provision applies to disputes lodged as from the 1st of January 2017. Concerning disputes currently being examined at the level of the mayor, the 15 % caution remains valid prior to any referral before the Senior Divisional Officer.

VIII- Other fiscal and financial provisions

Section four: review of the apportionment of the sanitary and veterinary inspection tax on international trade

322. The 2017 finance law modifies the method of apportionment of the sanitary and veterinary inspection tax on the importation of animal and fishery products. The said tax shall henceforth be apportioned as follows:

- The State: 30 %
- The Chamber of Agriculture, Livestock, Fisheries and forests: 20 %
- The Livestock and Maritime Fishing Development Fund: 50 %.

323. Only the product of the sanitary and veterinary inspection tax on international trade is subject to this sharing mechanism. The product of other sanitary and veterinary inspection tax shall still be shared among the state (30 %) and the Livestock and Maritime Fishing Development Fund (70 %), in accordance with the provisions of law No 89/0014 of July 1st 1989 bearing the finance law for the 1989/1990 fiscal year.

324. For reminder purposes, pursuant to the provisions of decree No 2000/961/PM of December 8th 2000 outlining the base, recovery and audit modalities of taxes applicable to animal and fishery production. The taxes applicable to animal and fishery activities include:

- The production tax
- The sanitary inspection tax
- The sanitary and veterinary inspection tax on local trade;
- The sanitary and veterinary inspection tax on international trade;
- The sanitary and veterinary inspection tax on international transit.

Section five: reinforcement of the framework of conventions and agreements with tax incidence signed by the state

325. The 2017 finance law reinforces the requirement for conventions and agreements with tax related provisions to comply with specifications of the legal framework in force. From now on, it enshrines the principle that agreements and conventions containing tax or customs exemptions must be subject to prior approval by the Minister of finance or be considered null and void.

326. Pursuant to this principle the tax provisions in such conventions are not binding to the tax administration except in the case of prior approval by the Minister in charge of Finance.

327. These prescriptions which repeal all previous tax doctrinal positions should be followed to the letter. Any difficulty in their application should be brought to my notice.

Done in Yaoundé,

The Director General of Taxation
MOPA Modeste FATOING

