

REPUBLIC OF CAMEROON

PEACE-WORK-FATHERLAND



THE GENERAL TAX CODE

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Official Edition

Directorate General of Taxation

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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;

- (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) Micro-finance establishments.

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;
 - (5) 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 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) *(Cancelled)*

Open-end investment companies (SICAV), mutual investment funds and mutual credit funds for profits made as part of their legal activity.
- (12) Economic interest groups, for the share of their profits distributed to their members that are natural persons.
- (13) 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 6.- (1) The taxable profits shall be the net profits determined according to the results of all transactions of any kind effected by the undertaking during the period of assessment including, in particular, the transfer of any assets in the course of or on the completion of trading.

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

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

Work in hand shall be valued at cost.

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

A - Overhead expenses

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

However, the following expenses shall be treated thus:

(1) Sundry remuneration and provision of services:

- a) The remuneration granted to salary and wage-earners shall be deductible from the results insofar 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 insofar as they represent remuneration for work done.

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

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

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

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

- (1) Head office overheads for operations carried put in Cameroon and the remuneration of certain effective services (studies; tech-

nical, 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.

- (2) Commission or brokerage on goods 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.

- (3) Amounts paid for the use of valid patents, brands, designs and models. However, when such

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

When their partners on the payroll of the firm are on leave, companies shall be authorized to deduct from their profits, on condition that the journey was made, the transport expenses to and from 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, 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 recognized organizations responsible for the organization of official sports competitions are deductible when they are justified and within the limit of 5% of the annual turnover.

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

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

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

B - Financial Costs

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

However, such deduction shall be 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 related to bad debts having exhausted all means of amicable or forced recovery procedure provided for by the OHADA Uniform Act on the Organization of Simplified Procedures for Collection and Enforcement Procedures.

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 four hundred thousand (400,000) 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%
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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, the deduction of provisions for doubtful debts and commitments shall be effected as follows:

Over a three-year period, for doubtful debts and commitments whose risks are not covered either by collateral securities or State guarantee. Deductions may not exceed 25% of such doubtful debts and commitments for the first year, 50% for the second year and 25% for the third year.

Over a four-year period, for doubtful debts and commitments whose risks are covered by collateral securities. Deductions may not exceed 15% of such doubtful debts and commitments for the first year, 30% for the second year, 30% for the third year and 25% for the fourth year.

The situation of these provisions must be definitely determined at the end of the year of their constitution, with the exception of those which concern bad debts and 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 year-old debts expressed in foreign currencies shall be deductible in determining the taxable turnover for the same financial year.

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

Section 8.- Repealed – FL 2006

Section 8 a.- (1) The charges referred to in Section 7 above of an amount equal to or greater than 1,000,000 (one million) CFA francs shall not be subject to deduction 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 co-operative 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 com-

pany 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 realised 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 or 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, 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.- In calculating the tax, any fraction of the taxable profit of less than 1,000 francs shall be disregarded.

The rate of the tax applicable shall be 35%.

However, if the company has received income from securities, the tax thus calculated shall be reduced by setting off tax deducted at source on such income. This system shall not apply to companies mentioned in Section 13 above.

DIVISION VII

OBLIGATIONS OF TAXPAYERS

Section 18.- (1) Concerning the assessment of the present tax, taxpayers are expected to submit a declaration of revenue derived from their business venture during the period serving as tax base on or before March 15. This declaration

must be presented in conformity with the OHADA accounting system.

(2) Liable taxpayers must also furnish the documents established in conformity with the OHADA accounting scheme.

(3) Companies falling under the Department in charge of large enterprises shall also submit, within the same deadline and using the form provided by the Administration, the statement of shares which they own in other companies where such shares do not exceed 25% of their share capital. They shall attach a detailed statement of transactions with the companies which control them or which are under their control, be they in Cameroon or abroad. For the application of this provision, the notion of control must be understood as in used article M 19 (a) (2) of the Tax procedures manual.

(4) Corporate bodies which do not opt for company 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) Company tax shall be paid of the tax payer's accord as follows:

- For persons assessed on the basis of actual earnings, a down payment representing 1 % of the turnover realized during each month shall be paid no later than the 15th of the following month. Such down payment shall be increased by 10% as levy for additional council tax;
- For persons under the simplified system, a down payment representing 3% of the turnover realized during each month by non-importing traders, and 5 % of the turnover realized during each month by producers, service providers and importing traders shall be paid no later than the 15th of the following month. Such down payment shall equally be increased by 10% as levy for additional council tax;
- the tax calculated as stipulated in Section 17 by the taxpayer shall be reduced by the total instalments paid during the financial year. The balance shall be paid directly in one instalment not later than 31 March.

(2) The instalment referred to in 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.

The instalment referred to above, shall be deducted at source during settlement of bills for the purchase of timber.

For Logging companies, not holders of a taxpayer's card, it will be raised to 5%.

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

(3) The following shall be subject to a withholding tax:

- imports by traders, including those under the flat-rate tax;
- purchases made by traders from manufacturers, farmers, importers;
- wholesalers, semi-wholesalers, forest exploiters;
- the purchase of oil products by service station operators and commodities by exporters;

- the operations carried out by enterprises without a tax-payer's card.

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 withholding tax rate shall be as follows:

- 10% for operations carried out by enterprises without tax-payer's card;
- 10% for taxpayers under the flat-rate tax and engaged in important;
- 5% of the transaction amount, for registered non-importing traders under. The simplified system;
- 1% of the transactions amount, for registered traders under the actual earnings tax system;
- 0.5% for the purchase of oil products by service station operators.

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, importers, wholesalers, semi-wholesalers and forestry companies must:

- keep a register of purchases and a register of sales or documents in lieu thereof;
- make payments using counterfoil books issued by the taxation services;
- send to the Taxation Service at the same time as their tax returns, the statement of sales per customer, except retail sales.

In order to deduct the advance payment made at the time of purchase, taxpayers shall be bound to attach to their returns the list of

names of suppliers, showing the amount of purchases and that of the tax deducted at source.

(2) The amount of tax owed by each company or council shall not be lower than the tax resulting from applying the 1% rate to the reference base as defined in Section 23 below.

This amount is the minimum charge under the company tax.

However, as concerns taxpayers under the simplified system, the rate shall be increased to:

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

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.

CHAPTER II

PERSONAL INCOME TAX

DIVISION I

GENERAL PROVISIONS

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

(2) The net total income referred to in subsection 1 above shall correspond to the sum of the following categories of income:

- 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:

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;

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;

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;

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 the various categories of net income earned by the taxpayer within one fiscal year, plus, where applicable, the profit from all gainful transactions he engaged in, after an abatement of a fixed amount of 500,000 CFA francs.

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 judgement 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 liability companies, public establishments, enterprises of the public and semi-public sector for any reason whatsoever, 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 partners 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 encashed 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, by natural persons and corporate bodies, of shares, debentures and other capital shares of enterprises 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 recorded in a financial year, such losses shall be offset by any net overall profits recorded in the next four financial years.

IV - UNDISCLOSED INCOME

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

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

The application of the personal income tax to the said companies or corporate bodies shall not bar 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 made by natural persons from built-on or non-built-on property acquired against payment or free of charge;
- (3)** interest earned by shareholders of a realty partnership that did not opt for company tax.

II - EXEMPTIONS

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

III - ASCERTAINMENT OF TAXABLE BASIS

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

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

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

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

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

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.- Reapled

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) Such earnings shall include, inter alia:

- income from stock-exchange operations performed by individuals;
- royalties received by authors or composers or by their heirs or legatees;
- sums paid to inventors either for the right to use their patents or for the transfer of concession of trademarks or manufacturing formulae.

(3) Registrars holding a public office shall be liable to the tax on non-commercial earnings, pursuant to the rules applicable to earnings from trusts and public offices, on

the basis of the sum total of their net earnings, calculated as salaries and allowances paid which shall be placed in the category of salaries and wages.

II - ASCERTAINMENT OF TAXABLE BASIS

Section 57.- 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.- Reapled

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 deter-

mined by deducting the average expenditure for the year of assessment and the two previous years from the average receipts for these same years.

(2) 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.- Reapled

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

Section 65.- Reapled

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% 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 b) Vehicles of 7 to 10 hp c) Vehicles of 11 to 15 hp d) Vehicles of more than 15 hp In all the above cases	180,000 CFA francs 360,000 CFA francs 540,000 CFA francs 720,000 CFA francs 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, pen-

sions, 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.- Subject to international conventions, personal income tax shall be calculated by applying the following scale to the overall net income rounded down to the nearest thousand francs:

- 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.

Section 70 (new).- In the specific case of income from movable capital, a 15% rate shall be applicable to taxable income.

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 acknowledgement 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 compensatoin.

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 instalments 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 10% deduction at source shall be levied on net

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 paragraph 2 of Section 46 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.

SUBDIVISION IV

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

Section 91.- The taxpayer shall spontaneously pay the personal income tax to the Taxation Office with jurisdiction, using special forms provided by the Taxation department, as follows:

(1) Simplified taxation system:

A down payment of 3% of the turnover realized each month for non-importing traders and 5 % of the turnover realized each month for producers, service providers and importing traders shall fall due no later than the 15th of the following month on the basis of a return filed on a form provided by the tax authority which shall acknowledge receipt thereof.

(2) Actual earnings taxation systems: The taxpayer makes a down

payment equivalent to 1% of his turnover for the quarter no later than the 15th of the following month on an official form. An acknowledgement of receipt shall be issued.

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 instalments. 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 instalments 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% down payment deducted at source shall be levied by the State, regional and local authorities, administrative public establishments, companies with partly or entirely public capital and private enterprises on the honorarium, commissions, emoluments and remuneration for

services provided occasionally or not, paid to individuals or legal entities domiciled in Cameroon.

Such down payments shall be paid to the Taxation Office with jurisdiction no later than the 15th of the month following the settlement of the invoice against the issue of a receipt.

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.

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 re-

ferred 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.

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

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 deceases

shall not bar the application of the above provision.

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

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:

Emoluments and supplementary benefits of all kinds paid to each member of their paid staff;

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;

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 (new) (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.

DIVISION V

MEASURES RELATING TO INVESTMENT PROMOTION

I - REINVESTMENT SYSTEM

A - Basic principle and conditions

Section 105.- Any natural person or corporate body reinvesting in Cameroon may be granted, under the conditions defined below, a reduction in company tax or personal income tax:

The reinvestments must be effected in one of the following forms:

- the construction or extension of permanent buildings for industrial, agricultural, forestry, tourism or mining purposes, including technical offices, or for housing salaried workers free of charge;
- industrial, agricultural, mining or tourism equipment, permanently em-bedded in a fixed location;
- acquisition of equipment for specialized use and not usable for another purpose for under-

takings of the new information and communication technologies sector;

- acquisition of tractors or heavy equipment specialized for agricultural, forestry or mining use;
- acquisition, renewal or installation of equipment for production, processing, packaging and conservation in food-processing activities;
- acquisition of heavy machinery for industrial, forestry, water or air transport;
- the cost of preparing the soil, sowing on industrial plantations, other than maintenance costs;
- any reinvestment of a social character.

In the case of buildings for the free housing of personnel, the reinvestment shall not be taken into consideration unless it retains a purely utilitarian and social character and does not exceed, in area and cost per square metre, the normal standards obtaining in the division concerned.

With regard to equipment, its specialised accessories shall be taken into consideration so far as they constitute a natural and indispensable complement not usable for any other purpose.

The acquisition of used equipment or the acquisition of an existing

building shall not be less than 25,000,000 (twenty-five million) francs.

B - Formal conditions

Section 106.- In order to qualify for the tax reduction specified in Section 107 below, a taxpayer shall send to the Director General of Taxation, at the time of filing the return of trading results for the financial year in which investments were effected, a file in two copies consisting of the following:

- an application (original stamped at the current rate);
- a summary, descriptive list (with estimates) of the programme under-taken;
- supporting documents for declared costs (invoices, memoirs, plans, purchase orders, supply vouchers, etc.);
- a copy of the tax return form and a copy of the table of fixed assets for the year.

Any request for tax reduction submitted after the above time-limit shall be rejected.

Only enterprises which keep regular, complete and genuine accounts in accordance with the OHADA accounting system shall be covered by these provisions.

C - Calculation of the reduction

Section 107.- A taxpayer who applies in the manner specified in the foregoing Section for a tax reduction shall specify in the return of his trading results the amount of reinvestments which he wishes to be taken into consideration.

Tax reductions shall be granted at the rate of 50% of the reinvestments approved, provided that they shall not exceed half of the profits declared during the fiscal year in question. In the event of insufficiency in any financial year, carry forward shall be authorized for no more than three subsequent financial years representing three previous financial years.

For the specific case of enterprises of the information and communication technologies sector, tax reductions shall be granted at the rate of 25% of the reinvestments approved, provided that they shall not exceed one quarter of the profits declared during the fiscal year in question.

As regards taxpayers liable to the minimum amount payable on turnover as company tax or personal income tax, the total reduction calculated as above shall be granted by charging one tax to another within a limit of 50% of the minimum tax.

The Director General of Taxation shall notify the applicant of any reduction bases. Tax reduction shall be subject to a decision by the Minister in charge of finance. The central services of the Directorate General of Taxation shall carry out post-inspection of actual reinvestments.

Any fraud noted in the supporting documents of the application shall entail rejection of the reduction, and back taxes evaded shall be collected and the penalties applied pursuant to the provisions of the Manual of Tax Procedures, without prejudice to criminal penalties.

Where a property benefits from tax reduction under the reinvestment system, and is transferred before the end of the fifth year following its acquisition date, the beneficiary of such reduction shall be bound to pay the fraction of the company tax or income tax initially deducted.

II - STOCK EXCHANGE SECTOR

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 in the stock market within three (3) years with effect from 1 January 2012.

Section 109.- Companies whose ordinary shares are listed on the bond market in Cameroon shall be entitled to a company tax reduction of 30% for 3 (three) years, with effect from the date of listing.

Such reduction shall be granted to companies listed on the stock market within 3 (three) years, with effect from January 1, 2008.

Section 109 bis (new)- 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 exempt 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 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 Centres shall provide management assistance and guide their 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.

Section 119.- (1) Members of Approved Management Centres shall be entitled to a 50% discount on the declared taxable profit.

(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.

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) Reapled

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:

- supply of goods and supplies to oneself;
- 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;
- 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.

- provisions of services to third parties and services rendered to oneself;
- 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;
- 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;
- transactions related to the importation of goods;
- real estate activities;

(5) Real estate transactions carried out by real estate developers. The following shall be considered real estate developers:

- 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;
- sales of second-hand articles and materials by professionals;
- transfers of assets not included in the list of exempted goods referred to in Article 241 of the Customs Code;

- transactions carried out by enterprises approved under the Free Zone regime;
- 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) Sundry commissions received by travel agencies

- interest on deposits with credit and financial institutions by non professionals of the financial sector ;
- transfer of rights over real estate and transfer of business assets subject to the transfer duty or equivalent duty.

2) International traffic transactions concerning:

- ships and boats used for industrial or commercial activities in the high seas;
- lifeboats and assistance boats;
- aircraft and ships used for maintenance and refuelling operations;
- 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 au-

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:

- sale of mining products;
- real estate transactions of all kinds carried out by non professionals;
- interest on external loans;

thorized 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 m 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, headquarters 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

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.- An ad 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:

- the delivery of goods and merchandise, in the case of sale, goods exchanges, and custom work;

- the performance of services and work or parts of services and work, in the case of services and construction work;
- the payment of the price in the case of other taxable transactions;
- bringing of goods and merchandise into the national territory as defined by the CEMAC Customs Code, in the case of imports;
- the exchange or transfer of ownership, for real estate transactions carried out by real estate agents;
- 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:

- first use, in case of supplies to oneself;

- debts for building contractors who expressly opt for this system.

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

- 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;
- 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:

- on supplies of goods when the chargeable event takes place;
- on receipt of the price, payment by instalments 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 corpo-

rations as well as regional and local authorities;

- 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;
- on importation or entry of goods and merchandise into Cameroon, at the time of registration of the statement of home use entry;
- 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:

- the purchase price, exclusive of taxes, of goods bought and used as is;
- 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:

- ancillary cost of supply of goods and services charged to the customer;
- taxes, duties and imposts excluding VAT;
- 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:

- discounts, rebates and commissions, provided that they appear on an initial invoice or on a rectified bill;
- free distribution of goods for advertisement or sales promotion;
- disbursements which are merely refunds to the buyer or customer of the exact amount invoiced;
- cash receipts such as interest in arrears or damages for non

performance of contract terms which are not payments for any business transaction.

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.

(3) (new) 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.

TARIF No	TARIF DESCRIPTION
2204	Wines of fresh grapes... all tarif headings
2205	Vermouth and other wines of fresh grapes
22060000	Other fermented beverages (for example cider, perry and mead)
22082000 to 22089092	Brandies, whiskies, rum, gin, and spirits etc except: 22099010 “undenatured ethyl alcohol...”
240210	Cigars and cigarillos containing tobacco
240220	Cigarettes containing tobacco, like Aspen, Fine, Business Club, delta and others
240220	Cigarettes containing tobacco, like Benson, Malboro, Dunhill, craven, Rothman and others
240290	Other cigars, cigarillos and cigarettes of tobacco or tobacco substitutes
240310	Smoking tobacco whether or not containing tobacco substitutes in any proportion
240399	Other tobacco and substitutes
240399	Chewing tobacco and snuff
240399	Other manufactured tobacco
9504.2000 to 9504.3000	Slot machines and other appliances used for games of chance.

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 141.- For the calculation of VAT or excise duty, the basis of assessment shall be rounded down to the nearest thousand francs.

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		25%
- abated rate	12,5%	

(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.

The excise duty general rate shall apply to goods listed in Annex II of this law exclusive of private passenger vehicles with engine capacities equal to or higher than 2,000 cm³.

(3) The VAT general rate shall apply to all transactions not subject to the zero rate.

The excise duty abated rate shall apply to private passenger vehicles with engine capacities equal to or higher than 2,000 cm³.

(4) The zero rate shall apply to exports of taxable products.

(5) The general rate of Excise Duties shall apply to goods listed in Annex

II of Part I of this Code, other than passenger vehicles with an engine capacity equal to or greater than 2000 cm³.

(6) The reduced rate of exercise duties shall apply to passenger vehicles with an engine capacity equal to or greater than 2000 cm³.

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 one million (1 000 000) CFAF, the deduction right may be authorized only where such transactions are carried out exclusively through transfer order or bank cheque

(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 payment receipt duly issued by the Collector of Taxes.

(5) Natural persons subject to the basic taxation system shall be excluded from the right to deduction.

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 the taxable components of the following:

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.

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 invoice shall consist in sending a duplicate of the initial invoice bearing with the statutory entries over which shall be written the following: “invoice unpaid in the amount of... corresponding to price excluding VAT and in the amount of... corresponding to VAT which may give rise to a deduction”.

Section 147.- For taxpayers not exclusively carrying out transactions giving a right to deduction, the deduction shall be made proportionately. Such deduction shall apply to fixed assets and to goods and services. It shall be calculated from the fraction of turnover pertaining to taxable transactions.

The fraction shall be the ratio in which:

- to the numerator, the amount of the income corresponding to the transactions liable to the Value Added Tax, including exports;
- denominator, the amount of all income realized by the taxpayer.

When they pertain to goods liable to tax by nature, the following transactions shall feature in the numerator:

- transactions referred to in Section 128 (16) of the General Tax Code;
- transactions exempted from VAT within the framework of specific conventions signed with the State.

However, as regards the specific case of haulers engaging in interstate freight forwarding operations and related services in the CEMAC region, the specific turnover of these operations shall appear in both the numerator and denominator.

The proportional deduction thus defined shall be determined provisionally on the basis of the income and revenue from the previous year or, for new taxpayers, on the basis of the income and revenue of the current year.

The final amount of the proportional deduction shall be fixed not later than 31 March each year. Any deductions already made shall consequently be regularized within the same time-limit.

A deduction shall be acceptable only following verification of the proportional deduction.

The estimated proportional deduction for existing enterprises shall be acceptable only upon presentation of the final proportional deduction for the previous year serving

as a basis, or, for new enterprises, accounting estimates.

Any positive or negative difference between the provisional and final proportional deduction shall be subject to an additional VAT or deduction. Where the proportional deduction falls below 10%, no deduction shall be allowed.

Any taxpayer not engaged in exclusively taxable transactions shall submit a return showing the calculation of the proportional

deduction applicable to such transactions.

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 invoices 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 sup-

pliers 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 abovementioned 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 payment receipts.

Accrued quarterly credits exceeding 10 million shall be forwarded to the Director General of Taxation for authentication. They shall be carried forward to subsequent periods starting from the month following that in which they were authenticated.

Non chargeable VAT credits shall, on the request of their holders and on the express authorization of the Director General of Taxation, be offset for the payment of VAT, excise and customs duties, on condition that the said holders show proof of an uninterrupted activity for the past two years and more at the time

of the request and that they are not currently undergoing a limited or general audit of their books.

VAT credits may by offset and, where applicable, refunded, on condition that their beneficiaries do not owe any taxes duties whatsoever which can be swapped and, that the credits are justified.

They shall be refundable:

- within a period of three months to firms having a structural credit status due to the deduction of tax at source;
- within 3 (three) months of filing the application to industrialists and leasing establishments having made the investments referred to in Section 105 of this Code;
- to exporters within a time-limit of not more than 2 (two) months from the date the application for reimbursement is lodged;
- at the end of each quarter to diplomatic or consular missions and international organizations, subject to a formal reciprocity agreement or headquarters agreement, where they have already paid the taxes;
- at the close of the financial year, to non-profit making organiza-

tions 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 shall be bound to attach to their declarations the customs references of their exports and those of the repatriation of the funds resulting from the exports for which refunds are being requested.

Applications for the offsetting or refund of tax credits shall be forwarded along with a 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) Reapled

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 ESSENTIAL GOODS EXEMPTED

HEADING No.	TARIFF DESCRIPTION
0401 1000	Milk of a fat content, by weight, not exceeding 1%
0401 2000	Milk of a fat content, by weight, exceeding 1% but not exceeding 6%
0401 3000	Milk of a fat content, by weight, exceeding 6%
0402 1000	Milk in powder, granules, of a fat content, by weight, not exceeding 1.5%
0402 2100	Milk in powder, granules, of a fat content, by weight, exceeding 1.5%, not containing sugar
0402 2900	Milk in powder, granules, of fat content, by weight, exceeding 1.5%, containing sugar
0402 9100	Unsweetened condensed liquid milk
0402 9900	Sweetened condensed liquid milk
0407 0010	Eggs for reproduction
0407 0090	Other eggs
1001 1000	Durum wheat
1005 9010	Other maize for the poultry industry
1001 9000	Other durum wheat
1006 3090	Husked rice
3001 to 3006	Pharmaceutical products
2937 9100	Insulin and its salts
2941	Antibiotics
3701 1000	X-ray plates and film
3702 1000	X-ray film
1905 1000	Crisp bread
1905 9090	Other products of Heading No. 1905 (ordinary bread, wholemeal bread)
1101 0010	Wheat flour
1101 0020	Meslin Flour
2501 0019	Coarse salt, neither emporated nor iodized
2834 2110	Potassium nitrate for fertilizer
2835 2410	Potassium phosphate for fertilizer
2842 9010	Lead arsenite for agriculture in a drum or container of more than 1kg
3101 to 3105	Fertilizers
3808 1090	Insecticides put up otherwise
3808 2010	Fungicides put in containers of 1kg or less
3808 2090	Fungicides put up otherwise

3808 3010	Herbicides put in containers of 1kg or less
3808 3090	Herbicides put up otherwise
3808 4010	Disinfectants put in containers of 1kg or less
3808 4090	Disinfectants put up otherwise
4901 1000	School books
4901 9100	Books other than school books
4901 9990	Other books and brochures, others
0105 1100	Fowls of the species Gallus domesticus weighing not more than 185 grams (parental)
0105 9200 and	
0105 9300	Fowls of the species Gallus domesticus
0201 1000 to	
0201 9000	Cancelled
03031000 to	
03037900	Frozen fish
0302 1100 to	
0302 6990	Fresh or refrigerated fish
1701 9910	Cancelled
1701 9990	Cancelled
1901 1021	Preparations for infant use, using products 0401 to 0404 not containing cocoa powder (i.e. formula milk: Guigoz, Galliasec, etc.)
2301 1000	Flours, meals, etc. of fish, crustaceans, meat, offals, unfit for human consumption
2302 2000	Bran, sharps and other residues of rice
2302 3000	Bran, sharps and other residues of wheat
2302 4000	Bran, sharps and other residues of other cereals
2302 5000	Bran, sharps and other residues of leguminous plants
2304 0000	Oil-cakes of soyabean
23.01.20.00	Flours, meals, etc. Of fish, crustaceans, meat, offals, unfit for human consumption
29.37.12.00	Insulin and its salts
2930.21.00	Quinine and its salts
3407 00 10	Dental wax
3822 00 00	Diagnostic or laboratory reagents
40 14 10 00 to	
40 14 90 00	Rubber sanitary and pharmaceutical ware

4015 11 00	Surgical gloves
6304 9300	Mosquito nets from synthetic fibres
6304 9900	Mosquito nets from other textile materials
7015 10 00	Glass used for corrective lenses
7017 10 00 to	
7017 90 00	Laboratory, hygienic and pharmaceutical glassware
8419 20 00	Medical and surgical laboratory sterilizers
87 13 10 00 to	
87 13 90 00	Wheelchairs and other invalid carriages
8714 20 00	Parts of wheelchairs and other invalid carriages
9018 11 00 to	
9022 90 00	Medical equipment
9402 10 11	Dentist chair
9402 9000	Medical, surgical dental and veterinary furniture (operating and examination table, beds with mechanism for clinic usage, etc.

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 to	
22089092	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
71 13 to 71 17	jewellery

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.

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.- paragraph 1 is repealed.

Where the operator's head office is located abroad, he shall be bound to make a deposit at a bank. The amount of such deposit shall be determined by the Minister in charge of finance.

The Taxation Service shall verify the levying. To that end, officials of at least the rank of inspector and duly assigned for that purpose at any time shall have free access to gaming rooms and can check the proceeds at any time during business hours.

Section 214.- Any late payment or non-payment of the tax shall be

punished in accordance with the provisions of the Manual of Tax Procedures.

Where the operator puts new machines in service during the year, he shall file an additional tax return form and pay the tax within 30 days following the event.

Section 215.- Upon presentation of a receipt, the competent taxation service shall issue a tax license for each machine according to its category. Such tax license shall be displayed visibly on the machine.

Any operator who fails to display the license shall be punished with a fine of 25,000 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 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

FIREARMS TAX

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

CHAPTER III

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 and corporate bodies domiciled out of Cameroon, by enterprises or establishments based in

Cameroon, the State or regional and local authorities, as remuneration for studies, consultancies, technical, financial or accounting assistance:

- 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;

- Remuneration paid for the use or transfer of use of software, construed as computer applications and programs relating to the operation or functioning of an enterprise.
- the sale or leasing of licences to use patents, trademarks, processes and secret formulae;
- the leasing of, or right to use cinema films or TV programmes 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.

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

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 within fifteen days after the act constituting liability at the Treasury accountant's office where the establishment's headquarters is located. This payment shall be regularised 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.- A special tax on the sale of the following petroleum products is hereby instituted:

- premium grade petrol;
- gas-oil.

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:

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

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 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 235.- TThe 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 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) Road royalties 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 owed by the importer of taxable products shall be transferred monthly no later than 15 (fifteen) days into each month for operations undertaken in the

preceding month, on the basis of the return filed by the taxpayer in 4 (four) copies on special forms available for collection at the Directorate General of Taxation.

(2) The first two copies shall be submitted as proof of payment to the taxation office. The Collector of Taxes shall then forward one of such copies to the Department of Taxation, together with references of the receipt of payment. The other copy shall serve as a supporting document for the payment.

(3) The third copy, stamped by the Collector of Taxes, shall be submitted to the Department of Taxation by the taxpayer within 10 days following the date of payment.

(4) The fourth copy shall be kept by the taxpayer as an accounting document.

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.- Mining taxes and royalties on the production of spring water, mineral water and thermal spring water shall be paid on presentation of monthly returns made by the taxpayer.

Such a return along with a cheque corresponding to the amount indicated on it shall be deposited at the Department of Taxation not later than the 15th of the following month for products extracted during the previous month.

The penalties inflicted on payers who fail to make a return and pay the extraction tax on quarry products and the water production royalties shall be those provided for

by the General Tax Code in respect of VAT.

The extraction tax shall be deducted at source by industrial and public works companies and any other company included on the list drawn up by the minister in charge of finance.

The assessment, collection and inspection of mining taxes, duties and royalties shall fall under the jurisdiction of the tax authority.

Section 240.- The rates of the duties, taxes and mining royalties provided for under Section 90 of Law No. 99/13 of 22 December 1999 on the Petroleum Code shall be governed by regulation.

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. 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.- Annual forestry royalties shall be made up of the minimum price and the financial offer.

The forest shall cover the logging area.

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 full as soon as the license is granted.

Annual forestry royalties shall be fixed as follows:

- *sales of standing volume : 2,500 F/ha;*
- *concessions : 1,500 F/ha;*
- *licences : 1,500 F/ha.*

As concerns sales of standing volume, the annual forestry royalties shall be paid within a time-limit of 45 (forty-five) days following the date of notification of the approval of renewal of the license.

For concessions, annual forestry royalties shall be paid during the first year of the temporary agreement. They shall be payable in 3 (three) equal instalments not later than 15 September, 15 December and 15 March of each year.

The proceeds of annual forestry royalties shall be allocated as follows:

- State 50%
- Councils 40%
- Village communities 10%

The conditions for controlling and collecting such royalties shall be defined by regulation.

An equalisation fund for the proceeds of forestry royalties granted to councils and village communities is hereby instituted.

The conditions for running the equalisation fund shall be laid down by regulation.

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..... 4,000 F/m³
- First grade promotion timber,
other than ayous..... 3,000 F/m³
- Second grade promotion
timber..... 500 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 - Delete

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.

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.

(2) 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.

(3) From 1 July 2,000, all logging licences that are valid or are in the process of being granted shall be required to provide the security.

(4) Failure to produce a bank security within the prescribed time-limit shall entail automatic cancellation of the logging licence granted.

(5) Its amount shall be equal to one time that of the annual forestry royalty for the licence concerned.

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.

The terms and conditions for implementing this section shall be defined by regulation.

The guarantee shall be determined as follows:

- 200 francs per hectare for each concession; and
- 2,800 francs per hectare for each sale of standing volume.

In accordance with Section 69 of Law No. 94/1 of 20 January 1994 to lay down forestry, wildlife and fisheries regulations, guarantee is provided by way of payment into the Treasury.

However, security may be in the form of a guarantee granted by a

bank governed by Cameroonian law and approved by the monetary authority.

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

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) *Cancelled;*

(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 instalments over the period of depreciation of the property they financed and, under the same conditions, as concerns the last renewed property over the period of the concession still to be covered.

DIVISION III
**RULES SPECIFIC
TO CHARGES**

Section 253.- (1) The charges payable may be transferred temporarily into an account for fixed charges to the tune of the surplus where, during the first 3 (three) financial years, they are in excess of the products sold.

(2) The nature and list of charges payable under this regime shall be defined in the specifications of the concession or any other document negotiated by both parties.

(3) The authorization granted for charges payable shall be submitted for approval to the tax authority which is allowed 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 depreciation deemed to be deferred at the time of a deficit.

Section 254.- (1) The concession holder shall be subjected to all the provisions of ordinary law relating to the depreciation of depreciable property.

(2) Notwithstanding the provisions of Subsection 1 above, the depreciation of the last renewable property which may be returned free of charge at the end of the concession to the conceding authority shall fall under deductible charges.

(3) Subsequent depreciation of renewable property ceded back free of charge to the conceding authority shall not fall under deductible charges.

(4) The concession holder may, over a period of ten years or the duration of the concession, where such duration is less than ten 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.- *(Repealed)*

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 re-assessment of fixed assets as stipulated by the laws and regulations in force.

Any sale of fixed assets within the free zone shall be exempt from transfer fees.

Any purchase or sale of currency by a free zone enterprise shall be exempt from any tax on currency transfer.

(3) Pursuant to the provisions of Section 127(8) of this Code, the transactions carried out by undertakings approved under the free zone regime shall be liable to value added tax.

(4) The regime applicable to the free zone shall also be applicable to special free zones.

(5) Besides the customs exemptions defined by the provisions of Ordinance No. 90/1 of 29 January 1990, all the imports of a free zone undertaking, namely capital goods, office equipment and furniture, building materials, tools, spare parts, raw materials, intermediary products, and consumer goods shall be exempted from all present and future direct duties and taxes. Private cars and fuel entering into the zone shall not benefit from this exemption.

(6) Besides the customs exemptions defined under the Ordinance referred to above, all the exports of a free zone undertaking shall be exempted from all present and future direct duties taxes, with the exception of VAT payable at the rate of zero percent.

PART VI
REGISTRATION, STAMP DUTY AND TRUSTEESHIP
SUB-PART I
HARMONIZED LEGISLATION IN THE CEMAC ZONE
CHAPTER I
REGISTRATION FEES AND APPLICATION THEREOF

DIVISION I
GENERAL PROVISIONS

Section 264.- Registration fees shall be charged in accordance with the rates and regulations laid down in the following Sections.

Section 265.- Registration fees shall be fixed, proportional, progressive or 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 ownership, usufruct or enjoyment of personal property and real estate either by gift or on death, on instruments which contain obligations, discharges, orders, allotments and ranking of creditors or payments in respect of money and securities.

For the basis of assessment of the fees, fractions of a thousand francs shall be charged as a thousand francs.

They shall be charged at the rates laid down in Sections 339 *et seq.* of this Code.

DIVISION II

DEPENDENT AND INDEPENDENT PROVISIONS

Section 268.- When any civil, judicial or extrajudicial instrument contains two or more provisions which are independent or do not necessarily arise one from another, a separate registration fee shall be charged on each clause according to its kind. Separate fees shall also be charged when one and the same provision concerns two or more persons with distinct and independent interests.

When an instrument contains two or more dependent clauses charged at different rates, assessment shall be based on the clause subject to the highest fee.

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 respec-

tively, 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 instruments 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 instrument.

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 enjoy-

ment 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, whatever the transfers of ownership effected during the year.

(4) In the event of sub-letting, further declarations shall be filed by each sublessor, main lessee or transferee.

(5) A separate declaration shall be filed for each property, stating:

- the full name, domicile and occupation of the owners or usufructuaries of the property during the period of assessment;
- the full name and occupation of the various lessees having occupied the property during the period of assessment, and the composition of the premises let to each of them;
- for each lessee, the rent, expenses included, for the period in question;

- the starting date of each lease, and the term thereof ;
- the total rent charges included, for all lessees during the period of assessment.

(6) The declarant shall be liable for payment of the fees due, which he may claim from the lessee. 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 proportional, 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, extensions of leases of personal property, businesses and real estate, the basis of assessment shall be determined by the stated annual price together with the charges imposed on the lessee and normally paid by the lessor.

For fixed term leases, in particular, long-term leases, the value shall be determined by the stipulated annual payments together with the charges imposed on the lessee.

For perpetual annuity leases and leases for indefinite terms, the value shall be determined by a capital sum being twenty times the annual payment or price together 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 value of the products on 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 of 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 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 pen-

sionable 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 preceeding or following either the donation instrument or the starting point of the time-limit for filing a declaration of succession, the estate transferred is auctioned by court order or sold voluntarily with outsiders admitted, the fees may

not be assessed on a value less than the auction price including all capital charges, unless it is proved that the composition of the property has meanwhile undergone modifications capable of altering its value.

In the case of transfer on death, the value of household furniture shall not be less than 5% of all other property making up the assets of the estate.

Section 298.- Where the amounts or values to be used as the basis of assessment of the tax are not specified in the instruments or 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 settle-

ment 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 so granted by certified or private instruments with an ascertainable date prior to the commencement of estate settlement proceedings, for reasons other than the death of one of the contracting parties, the heirs, donees and legatees and the said

intermediaries shall be entitled to prove that the debt is genuine and existed at the commencement of the estate settlement proceedings, in which case the said debt shall become deductible.

DIVISION XVII
OWNERSHIP WITH AND WITHOUT USUFRUCT

Section 301.- The value of ownership with or without usufruct of personal

property and real estate shall, for the assessment and payment of fees, be determined according to the age of the usufructuary as follows:

For the transfer against payment of property other than debts, annuities or pensions, through the stated price together with all capital charges;

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 full ownership	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 time-

limits in force in each State, with effect from the date of death of the preceding usufructuary.

The fixed usufruct shall be estimated at 2/10 of the full ownership for each ten year period of the duration of the usufruct, without fraction and regardless of the age of the usufructuary.

For long-term debts, perpetual or non perpetual, annuities and the labels created or transferred for whatever reason, and for the

amortization of such annuities or pensions, by way of a share of the value of full ownership established in accordance with the rules stated in the preceding paragraph, on the basis of the capital determined by Section 293 of the present Code.

Nothing is owed from the mergeance of the usufruct and the ownership where such mergeance 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 instruments signed outside a State of the Community for which registration is required, orders on petitions or pleadings and certificates immediately issued by judges, and instruments and 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 obliga-

tions, discharges or transfers in respect of ownership, usufruct or enjoyment of personal property and real estate shall be borne by the debtors and new owners; fees for all other instruments shall be borne by the parties to whom the instruments benefit where, in such diverse cases, other provisions do not stipulate otherwise, and save the implementation of the provisions of Section 305 (4) above relating to contracts.

Section 310.- In respect of leases and lettings, the lessor and the lessee shall, notwithstanding any clause to the contrary, be jointly liable for the ordinary fees and if necessary any penalties incurred.

Section 311.- The fees for declarations of transfer on death shall be paid by the heirs, donees and legatees. Joint heirs shall be jointly liable.

DIVISION IV

PAYMENT OF FEES IN INSTALMENTS

A - Leases of personal property 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 instalments:

- in the case of a fixed term lease, except a long-term lease, in as many instalments as there are three-yearly periods during the duration of the lease;
- in the case of a periodic lease, in as many instalments 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 instalments 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 instalments as follows: one-third when the instrument is filed for registration, and each remaining two-thirds in half-yearly instalments 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 instalment within the prescribed period shall entail double payment of the said instalment, viz the instalment and an additional fee, and payment of the other outstanding instalments.

Where a company which is paying the said fees in instalments 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 instalments, the first of which is made latest one month following the date of the decision authorizing the instalmental payment of such fees; in this way, payment of final instalment 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 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 esta-

blished, 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 the service of notices, payment of a deposit, filing of a petition for remission of penalties, or service of payment orders.

Section 335.- Proceedings for refund of fees shall end following the prescription time-limits in force in each State from payment of the ordi-

nary and additional fees and fines. Prescription shall be suspended by the service and registration of notices, before expiry of the said periods, at the Department of Taxation.

CHAPTER VIII

INSTRUMENTS TO BE REGISTERED IN DEBIT

Section 336.- Apart from the instruments designated by law, only the instruments listed below shall be registered in debit as follows:

- 1) all procedural instruments and documents produced in court in proceedings by any public administration against a private person; fees shall be recovered from the party against whom judgment is given;
- 2) all procedural instruments and documents produced in courts of summary jurisdiction or criminal courts, when there is no plaintiff; fees shall be recovered from the party ordered to pay costs;
- 3) all procedural instruments produced before the courts by persons receiving legal aid; fees shall be recovered from any party 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 realised 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 extra-judicial decisions made in pursuance to labour regulations, family allowances and instruments laying down the procedure for legitimising natural children;
- 5) judgments passed on procedures followed at the request of the Legal Department in the area of civil status;
- 6) the swearing in of judicial and legal officers, civil servants and State employees of regional and local authorities;
- 7) agreements between the State and private enterprises in pursuance of the law instituting the Investment Code or other preferential schemes;
- 8) orders and registration judgments in the area of landed property.

CHAPTER X

INSTRUMENTS EXEMPTED FROM REGISTRATION

Section 338.- The following shall be exempted from registration:

- 1) instruments of professional organizations which are legally established, and whose articles of association provide for mutual assistance among members;
- 2) judgments of customary courts, with the exception of those concerning the transfer of ownership, usufruct or tenure of real estate or the establishment of real fees on real estate;
- 3) instruments of the public authority incorporating legislation or

- regulations, and all documents and registers kept for the purpose of public services;
- 4) instruments in respect of proceedings to recover taxes, charges, fees and other amounts owing to the budget of the State of regional and local authorities, and receipts and discharges relating thereto;
 - 5) instruments and documents established for poor persons, when destitution is duly attested by a certificate issued by the administrative authorities of the area of residence;
 - 6) records of countersignature and initialling 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 exempt 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.
- 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.

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;

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 of an amount less than 5,000,000 francs charged to the budget of the State, local and regional authorities, public establishments, and public and semi-public enterprises.

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 or when the said instruments are utilized in a CEMAC member 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 exempt 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 following, in serial order and without blank lines or interlineations:

- 1) notaries: all instruments and contracts which they receive, including those delivered to the parties, under pain of a fine of 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 preceeding Section, notaries, bailiffs and clerks shall be bound to allow access to their registers to registration employees who show up for verification purposes, under pain of a fine of 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 therefor;
- 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 certificate issued by the Tax Collector, if necessary, as provided in the preceding paragraph. The responsibility of the certifying official shall, in such case, be substituted with that of the company or local authority.

Anyone acting in contravention of the foregoing provisions shall be personally liable for the fees and fines due, except for appeals against the taxpayer, and shall be liable for an additional fine of 5,000 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 DEPOSITARIES OR DEBTORS OWING AMOUNTS DUE AS A RESULT OF DEATH

Section 405.- (1) Government services, establishments or all other bodies subject to control by administrative authorities, firms, companies, stockbrokers, money changers, bankers, discounters, law officials or business agents who are depositaries, holders or debtors of title deeds, sums or securities forming part of an estate on which they have initiated proceedings, shall forward, either prior to the payment, return or transfer, or within a fortnight following the transactions, the list of the said title deeds, sums or securities to the Tax Collector at their places of residence. A receipt shall be issued therefor.

(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 COLLECTORS

Section 406.- Collectors of taxes may not, for any reason, including assessment by experts, defer the registration of instruments and transfers on which fees have been paid at the rates laid down in the present Code.

They may not suspend or halt procedure by withholding instruments or writs; provided that when an instrument or writ of which no copy is available contains information that may be of value in determining liability to fees, the Collector may have a copy made and certified by the official who

presented it. In the event of refusal, he may withhold the instrument for not more than twenty-four hours in order to obtain a copy in due form at his expense, subject to claiming these costs back where applicable.

The present provision shall apply to instruments under private seal which are presented for registration, subject to the provisions of Section 369 of this Code.

Section 407.- The receipt for registration shall be placed on the instrument registered or on the declaration of the new owner.

The Collector shall show the date of registration, the register folio number, and the fees charged in words.

When the instrument contains two or more provisions each subject to a separate fee, the Collector shall mention them summarily and show the separate fees charged.

For instruments under private seal which are presented with the original for registration, separate registration fees shall not be charged and the receipt shall be given on each copy.

Section 408.- The Tax Collector may deliver extracts from his registers only by order of the President or the Court, when the said extracts or copies are not requested by a contracting party or

an assign thereof; they shall be paid 1,000 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 to not 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.- Duties, taxes and, in general, all other levies normally collected by the Department of Taxation, shall be collected as described below:

- these claims shall, failing payment with the time-limit, be made through collection orders or by a writ issued by the Tax Collector or any public official acting in that capacity. This order shall be signed and declared enforceable at no cost

by the President of the Court with jurisdiction over the area where the Tax Collection Office is situated.

The President of the Court may not refuse to sign the collection order, under pain of personal liability for the sums in respect of which the order was issued.

This collection order or the writ shall be notified by registered mail, with acknowledgement of receipt. The notification shall include a summons to pay without delay the fees demanded which shall be due forthwith.

The notification of the collection order or the writ shall stay the statute of limitations against the Tax authority and replace it with the statute of limitation under ordinary law.

Section 412.- Any debtor who challenges the validity of the claim or portions thereof may appeal within three months from the date of receipt of the collection order or writ after prior payment of the principal of the duty. Fines, penalties and incidentals may be withheld until decisions are passed by the law courts.

The appeal shall be reasoned with a summons to appear on a fixed day before the competent court; in that case, the opposing party shall be bound to elect domicile in the area where the court sits.

Section 413.- For any appeals against a collection order or a writ issued by the service in charge of Registration, the debtor may himself or through counsel furnish oral explanations.

The Administration shall be entitled to the same prerogatives.

Section 414.- In respect of fees collected by services in charge of Registration which are not accompanied with penalties for late payment in accordance with the

regulations in force, interests on arrears calculated on the basis of 6% of the agreed due amount shall commence from the date of issue of the collection order or the writ. The beginning of a month shall be considered a full month.

Section 415.- Tax Collector or public officials acting in that capacity shall pay from their accounts legal costs in matters involving collection orders and writs to registrars, legal officers or other persons on the basis of supporting documents submitted to them and which they shall keep. They shall bear on all costs resulting from the legal action necessary for the recovery of the fees established by this Part of the Code.

They shall in turn recover the amounts of these costs from the persons concerned in accordance with the procedure laid down for such collection.

Necessary credits shall be allocated in the budget of each Member State of the Community and entered in any relevant accounts in the books of the public accounting officer.

In the event of an unfavourable judgement or of insolvency on the part of the debtors or impossibility of collecting the fees, legal costs shall still be charged to the budget of the Member State concerned.

Section 416.- In respect of the collection of registration fees paid through the debtor's salary, the preferential right of the treasury shall prevail over the debtor's movables and chattels wherever they may be for a period of two years, with effect from the date of issue of the collection order.

The preferential right shall run concurrently with those in respect of turnover and direct taxes.

DIVISION II

PROCEEDINGS BY PARTIES AND COURTS

Section 417.- Any difficulties which may arise in relation to the payment of registration fees prior to proceedings shall be resolved by the Administration.

Section 418.- Before instituting proceedings against the Administration the taxpayer shall apply to the Minister who has supervisory authority over the Directorate General of Taxation for settlement of his claim.

Failing a reply within four months or in the event of an unfavourable

reply, the taxpayer may institute proceedings against the State.

Section 419.- Proceedings shall be instituted and heard before Civil Courts in the locality of the Tax Collection Office responsible for collection. No other constituted or administrative authority may hear such matters or pass a decision.

Proceedings shall be instituted by memorandum, provided that the debtor shall be entitled to submit oral explanations in person or through counsel. The Administration shall enjoy the same right.

The parties shall not be obliged to hire defence counsels. The unsuccessful party shall bear only the fees relating to stamped paper, notices served and registration of the judgements.

The courts shall grant the parties and the registration officials any time-limits they may request to submit their defence, provided that such period shall not exceed thirty days.

Judgement shall be given in open court within three months from the institution of proceedings, on the report of a judge and the written submissions of the representative of the Legal Department. The parties may appeal as provided in the Civil and Commercial Procedure Code.

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 synallagmatic instruments;
- lenders and borrowers of all obligations;
- law officials who have received and drawn up instruments referring to unstamped instruments.

Section 426.- In general, stamp duty shall be paid by the party whose interest the instrument serves.

Section 427.- Stamp duty on all instruments between regional and local authorities of a Member State or between a public body of the union on the one hand, and private individuals, on the other hand, shall be borne by the latter.

DIVISION II
STAMP DUTY BASED
ON PAPER SIZE

A - General rules

Section 428.- Stamp duty based on paper size shall be charged on all paper used for original drafts, extracts and true copies of the following instruments and documents:

- 1) notarial instruments, extracts and copies thereof;
- 2) instruments of bailiffs and copies thereof;
- 3) instruments and 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, shipowners, 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 judgements, 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 puni-shable 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, safe-conduct and visas

Section 451.- Fiscal stamp rates for the issue or extension of the validity of passports for individuals or groups of persons shall be fixed by each State.

This rate shall be collected by means of fiscal stamps affixed by the Administrative authority on the passport booklet in use in each Member State.

Section 452.- Authorities responsible for issuing passports shall have the right to extend the validity thereof.

Such extension shall be established by fiscal stamps affixed on the passport.

These stamps shall be affixed close to the extension inscription by the competent authority and shall be obliterated as stipulated in Section 442 of this Code.

Section 453.- The stamps affixed on a group passport shall be valid only for one return trip.

Section 454.- The stamping of an exit visa on a passport may entail payment of stamp duty.

Section 455.- The visa stamped on passports of nationals of countries outside the Community and which are issued through diplomatic or consular services of Member States shall entail payment of stamp duties; the visas involved are:

- non-stop transit visa;
- transit visa for a stay of less than 10 days;
- visa for a short stay of between 10 days and three months;
- tourist visa (less than 30 days);
- visa valid for one year and for a single or multiple entries;
- permanent visa for a stay of more than three months;
- visa on a collective passport;
- re-entry visa;
- re-entry visa valid for one year and for a single entry;
- re-entry visa valid for one year and for multiple entries;

- re-entry visa valid for 18 months and for a single entry;
- re-entry visa valid for 18 months and for multiple entries.

Section 456.- Nationals of Member States of CEMAC shall be exempted from payment of stamp duties referred to in Section 454 above.

Nationals of countries outside CEMAC shall be exempted from payment of stamp duties stipulated in Section 455 above, subject to reciprocity.

Section 457.- Visa fees on national passports issued to foreigners shall be collected by affixing stamps. These stamps shall be affixed on the passport close to the visa inscription. They shall be obliterated by a signature in bold ink indicating the date of obliteration and in such manner that the inscription extends over the edge on both sides of the adhesive fiscal stamp.

Section 458.- Where a passport or a visa is issued without charge by the administrative authority after justification on the person's destitution, it shall be indicated on the passport or near the visa that it had been issued free of charge.

Failing such indication, the holder may be deemed to be using an unstamped passport and liable to a fine of 5,000 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 non-residents;
- (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, bailiffs, registrars, notaries and clerks must indicate clearly in a separate column and for each disbursement, the amount paid as fees to the Treasury.

Section 481.- Where a bill, share certificate, security, book, note, insurance policy or any other instrument subject to stamp duty and not registered is referred to in a public, judicial or extrajudicial instrument, and should not be

presented to the Tax Collector at the time of registration of such instrument, the law official shall be bound to explicitly state in the instrument whether the security has been stamped at the prescribed rate and to indicate the amount of the stamp duty paid.

In case of omission, notaries, 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 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 to Taxation Services which shall act as official trustees or provisional administrator thereof through its employees.

Section 499.- The duties of official trustee or provisional administrator shall consist of managing and administering property of estates in abeyance and unclaimed property.

For this purpose, employees who perform these duties in the capacity of legal proxies shall administer and manage movables and immovables 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 initialled 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 sub-

mit 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 exempt 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.
- 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.
- 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.

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;
- leases of houses in rural areas;
- 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.

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.

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 dependant 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 undermentioned 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 Ordinance 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 agro-pastoral and fisheries operations.
- 4) transfer or use of property which is subject to the value added tax.
- 5) Loans under collateral security and mortgage contracted with credit or microfinance establishments, as well as releases, cautions and guarantees related thereto.
- 6) loans on collateral and on mortgage concluded with credit establishment, as well as the release of mortgages, sureties and guarantees there to.
- 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 di-

plomatic or consular missions foreign to CEMAC, subject to reciprocity.

C - Administrative evaluations

Section 546 bis.- (1) Notwithstanding the dispositions of articles 324 and 325 supra, where the price or the estimation that served as base of payment of proportional, progressive or degressive taxes seems smaller to the saleable value, usufruct, or discharge, the Tax Administration in determining the taxable value shall resort to administrative evaluation through modalities fixed by law.

(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 PAPER 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)	1,000 francs
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: 50,000 francs;
- issue of laissez-passer: 25,000 francs.

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.

- 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.

B - Identity cards and residence permits

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

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:

3) Residence cards:

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.

ration 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 B and 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 game-ranching 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.

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).

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 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.

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 Giro

account opened in the name of the Director of Taxation. Of the amount so deposited:

- 30% shall be paid to the Director 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 pre-emption 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 obligations may be granted upon stamped application under the undermentioned 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 300,000 francs, by the Divisional Tax Collection Office;
- from 300,001 to 1,000,000 francs, by the Head of the Regional Tax Collection Office or the National Inspector/Controller;
- from 1,000,001 to 5,000,000

francs, by the Director General of Taxation;

- above 5,000,000 francs, by the Minister of Finance, on the recommendation of the Tax Rebate Commission.

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 receiving a collection order or notice of arbitrary assessment.

(2) The closure of the establish-

ment shall be established by 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.

(2) For taxation purposes, each item of the subscription shall be evaluated separately and the number of shares given out in compensation of each item clearly indicated.

In the absence of this evaluation, the rates charged for fixed assets shall be applied.

(3) In all cases where the transfer of shares or interest led to the payment of transfer duty in pursuance of this Section, the outright allocation, following the liquidation of the company, of property represented by the transferred securities shall necessitate the payment of a transfer duty only if the property is allocated to anyone other than the transferee.

Section 575.- (1) Within one month of their establishment, companies shall be bound to make, at the Tax Collection Office of the area where their head offices are located, a declaration stating:

- the 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 asso-

ciation, 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 prescription, relating to shares, founders' shares or negotiable bonds issued by a commercial or civil company or a regional and local authority or private authority;
- shares, founders shares, bonds and other securities of the said regional and local authorities, covered by the thirty-year prescription or an agreed term;
- cash deposits and, in general, all liquid assets in banks, credit establishments and other institutions holding funds in deposit

and current accounts, in respect of which rightful claimants have made no transactions or claims for thirty years.

Deposits of securities and, in general, all securities in banks and other institutions holding securities in deposit, in respect to which rightful claimants have made no transactions or claims for thirty years.

The transfer of registered securities to the State under conditions stipulated in this Section shall be effected on production of the said securities and a certificate from the Director of Registration.

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

a right in rem, 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 recognised 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 non-built-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.- (1) 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) Delete

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 registered 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 presen-

tation of a tax certificate issued by the relevant taxation service.

(2) Persons liable to property tax as well as those exempted therefrom 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 30% 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 initialled 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.

b) Newspapers published outside Cameroon but distributed in Cameroon

The publication of an advertisement in a newspaper printed outside Cameroun 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 advertisements. They shall pay over to the Tax centre to which they are attached, at the same time as the voluntary payment tax, the amount col-

lected 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 initialled 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 so. 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 initialled 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.

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 motorcycles in use in Cameroon.

Section 595.- The following shall be exempt from stamp duty on vehicles:

- 1) two-or three-wheeled vehicles, not motorized;
- 2) vehicles whose owners enjoy diplomatic or consular privileges, and vehicles under temporary admission and used exclusively for international cooperation projects;
- 3) 1/2 test vehicles with WG registration;
- 4) transit vehicles with WT registration;
- 5) Vehicles used for the maintenance of law and order with registration plates specific to the Armed Forces, Gendarmerie and the National Security;
- 6) Ambulances;
- 7) special vehicles with CE registration;
- 8) special vehicles used by the disabled and handicapped;

- 9) 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:

- Motorcycles2,000 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.- Duty shall be payable :

- the month that follows the start of the fiscal year, for renewal;
- during the first entry into service for vehicles newly put on the road;

- at the end of the period of exemption for vehicles imported under the temporary admission regime.

For vehicles imported under the “home use” regime, the stamp duty shall be payable at the same time as the custom duty.

Section 599.- The natural or legal person owning the vehicle shall be liable for the duty thereon.

However where a legal person places a vehicle at the disposal of a natural person, the person liable shall be the user of the vehicle in question.

No vehicle may be validly resold during the period of assessment unless the stamp duty is duly presented to the road traffic and transport service.

Section 600.- Payment of duty shall be attested by the issue of a sticker whose format and conditions of issue and use of shall be defined by order of the Minister of Finance.

The issue of duplicate stickers shall be subject to a fixed fee of 2,000 francs.

Section 601.- (1) Failure to produce the compulsory sticker at the request of authorized 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, punishable under Section 362 (c) of the Penal Code.

In addition to the fine provided for in Subsection (2) above, the owner of the vehicle shall also be liable for additional stamp duty as penalty over and above the duty payable.

Section 602.- In addition to duly empowered officials of the Department of Taxation, 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 exempt:

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) extrajudicial 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;

3) 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.- The payment of an airport stamp duty shall be acknowledged by affixing a 10,000 or 1,000 francs stamp, as the case may be, on the boarding pass. This stamp shall

be defaced by emigration officials before the passenger boards.

Section 608.- The following shall be exempted from airport stamp duty:

- accompanied children, not holding personal passports;
- members of diplomatic missions, subject to reciprocity.

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,
Paul BIYA***

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PERSONAL NOTE

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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 person or corporate body liable, as a statutory taxpayer, to payment of a tax, duty or levy or an instalment thereof, by virtue of the provisions 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. 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.

The obligation to declare shall equally apply to employers of the public and private sectors as well as to foreign taxpayers who are carrying out economic activities in Cameroon without a head office. They shall ipso facto designate a credible solvent representative to the taxation department.

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 (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 over-taxed or wrongfully taxed under a pre-filled tax return procedure shall submit a request for correct 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.

To be deemed conclusive, the accounts must either be certified by a CEMAC approved chartered Accountant registered in the roll of the Order, or validated by an approved Management Centre. However, the accounts of an enterprise realising an annual turnover of below 250 million francs shall also be deemed conclusive if kept by a CEMAC approved accountant.

The amount of the above turnover may be changed by regulation.

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 instalment 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);

- Through bank transfer or electronic means, for enterprises under a specialised management unit
 - 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.
- Section M.8-** 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.

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.

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.

However, lower-ranking officials may act on written orders from the tax inspector.

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, at least 8 (eight) days to the date fixed for the first operation, forward to the taxpayer by registered mail or direct delivery with acknowledgement of receipt or mail delivery register, an accounting or overall fiscal situation audit notice and a copy of the Taxpayers Charters, 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 considered 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.- 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.- 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.

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 reas-

sessments, 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 discharge of their duties, wherever required to do so.

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 et seq of this Manual shall apply to determine the taxes concerned by the request.

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 15 (fifteen) 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 well-founded in whole or in part, the tax authority must give up all or part of the adjustments notified. It shall inform the taxpayer thereof in a letter representing a “response to the taxpayer’s comments” addressed with an acknowledgement of receipt.

Where the tax authority intends to maintain the initial adjustments, it shall confirm them in the “response to the taxpayer’s comments” and

inform the latter that he has the possibility of lodging a complaint by virtue of Section M. 117 et seq of this Manual.

In any event, the response to the taxpayer’s comments shall be sent to him, under pain of nullity of the procedure, within 30 days of reception of the taxpayer’s comments, save for duly justified circumstances.

Section M. 27.- The response to the taxpayer’s comments shall mention, for information, the settlement of the amounts due following the audit and the reasons for the penalties applied as well as the amounts thereof.

Section M. 28.- The adversary procedure shall not apply to stamp duty where this is not paid on the basis of a statement or return, as well as in the case of arbitrary assessment of the tax base, as provided in Sections M. 29 et seq of this Manual.

SUBDIVISION II

ARBITRARY ASSESSMENT PROCEDURE

Section M. 29.- Taxpayers who have not filed their returns within the legal time-limit provided for

pursuant to the General Tax Code in their capacity as liable persons shall be subject to arbitrary assessment.

For the purposes of the preceeding subsection, the arbitrary assessment procedure shall be possible only when the taxpayer has not regularized his situation within the 15 (fifteen) working days following reception of a reminder representing a notice to file a return.

Section M. 30.- The arbitrary assessment procedure shall also apply:

- where the taxpayer fails to respond, within the time-limit laid down in Section M. 29 above, to a request for clarifications and justifications;
- in case of failure to designate a tax representative in Cameroon;
- in case of failure to keep or produce all or part of the accounts or supporting documents recorded in the report;
- in case of rejection of accounts deemed irregular or inconclusive by the tax authority; or
- in case of refusal of tax control.

The arbitrary assessment procedure shall equally apply to any taxpayer who abstains from furnishing details and sub-details of certain accounting items specific to the activity undertaken.

The arbitrary assessment procedure shall also apply to any taxpayer

who declares a total taxable income below the fixed amount determined by applying a legal scale to certain items of lifestyle, where the difference between the two methods of income evaluation exceeds at least 40% of the net total income declared during one of the two previous fiscal years.

Section M. 31.- The bases or data used to calculate the taxes imposed arbitrarily shall be made known directly to the taxpayer, through an adjustment notice specifying their methods of determination. The taxes concerned shall be issued for collection forthwith and shall be mentioned in the adjustment notice.

Section M. 32.- The adjustment notice shall mention that the taxpayer who is subject to arbitrary assessment has the right to contest to the tax authority in accordance with Sections M. 116 et seq of this Manual. The onus of proof shall lie with the taxpayer who must justify by all means that the taxes imposed on him are too high or unfounded.

SUBDIVISION III

PROCEDURE OF ABUSE OF THE LAW

Section M. 33.- Any operation in the form of a contract or legal

instrument concealing the realization or transfer or profits or income effected directly or by an intermediary shall not be binding on the tax authority, which authority shall have the right to maintain the true character of the operation and accordingly determine the bases of assessment of company tax or personal income tax. In the event of a court case, the burden of proof shall lie with the tax authority.

Section M. 33a.- 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 AUDIT

Section M. 34.- The total or partial omissions noticed in the basis of

assessment, the inadequacies and inaccuracies or assessment errors may be corrected by the tax authority up to the end of the fourth year following that under which the tax fell due.

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.- Limitation shall be interrupted 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

regards to these taxes and levies. It shall have the right to rectify, within the resumption period, the previously notified bases, provided only that the proposed amendments do not arise from information obtained from further audits of the enterprise's accounts.

In addition, where the taxation authority has lodged a complaint for fraudulent acts, it may conduct a further check.

This rule shall not apply in the case of fraudulent acts for which a complaint has been lodged by the tax authority.

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.- 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.- Tax officers of at least the rank of tax controller or persons ranking as such shall be entitled to access to documents in a tangible or intangible form kept by the persons and bodies listed in Section M. 43 below, for the purpose of checking the returns filed by taxpayers, without the possibility of objection on grounds of 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, stockbrokers, depositories of public documents and companies required to keep registers of transfers of stocks and shares, attendance lists of general meetings, minutes of board meetings and auditors' reports.

Section M. 44.- (1) The right to information shall be exercised on the initiative of the tax service on a simply written application. The tax officers must send or deliver a notice of passage to the person concerned prior to their arrival. He shall furnish the information requested within 15 (fifteen) days, from the reception of the notice of passage the post mark or signed mail register, in case of direct delivery, being authentic.

(2) Any person failing to respond to avoids or objects to the right of access within the time limit indicated in section M. 44 (1) above, shall be issued a formal notice to allow access. He shall comply within 8 (eight) days of reception of the notice, the postmark, or signed mail register, In case of direct delivery being authentic.

Failing that he shall be liable to the fines provided for in section 104 of this manual.

However, during hearings of matters before civil, commercial or criminal courts, the courts must, without any prior requests on his part, make known to the Director 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, submitted to the competent court of the area.

DIVISION II

SCOPE AND LIMIT OF PROFESSIONAL SECRECY DEMURRABLE TO THE TAX AUTHORITY

Section M. 47.- (1) Tax officers shall be bound by professional secrecy and may not divulge any information collected in the performance of their duties. This shall also apply to information obtained from foreign tax authorities, within the framework of mutual administrative assistance in tax matters under international conventions.

(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 Supremes State Audit, Treasury, Customs

Economic and Financial Brigades officials acting within the scope of their duties as well assistance in tax matter under an international convention.

At the request of the Director General of Taxation, the State Counsel 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 to the 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 (new).- 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.

PART III

TAX COLLECTION

CHAPTER I

METHODS OF COLLECTION

I - COMPETENCE IN RESPECT OF TAX COLLECTION

Section M. 51.- The collection of taxes and duties shall be assigned to the Tax Revenue Collectors.

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 and the collection deed shall be attachments or executions 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) The collection deed shall be given force of law by the competent court and managed by the attached Tax Collector who shall serve it to the taxpayer. The latter shall have a maximum of 15 (fifteen) days from the date of notification to pay his debt.

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 stay 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 revenue collection 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.

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 exempt 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.- 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.

In case of insults and resistance, they shall draw up a report on such resistance and forward same to the State Counsel 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 assignee 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.- (1) The Territorially Competent Provincial collector of taxes may freeze the taxpayer's 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 territorially Competent Provincial collector of taxes 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 organised 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 of Taxation.

Section M.92.- The lists referred to in Section M. 91 above shall, for each irrecoverable tax, indicate the nature of tax, 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 collectors of taxes who are personally and financially responsible for tax recovery may be granted a discharge therefrom and 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 socioprofessional associations.

Section M. 94.- The Minister in charge of finance shall issue a registered certificate for all taxes considered as bad debts.

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.- filing a return showing nil tax or a credit following an official notice, shall attract a fixed fine of 100 000 (one hundred thousand) francs.

Section M. 100.- (1) Any failure to file in, within the statutory deadline, an application to register a business or to modify some of the elements used in procuring the initial registration as well as any registration declaration that comprises manifestly erroneous information shall be liable to an all-in fine of 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 (1000 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 mil-

lion) 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 M1, M2 and M7 of this Manual may entail forfeiture of the right to operate the prohibition to bid for public contracts 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.

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 or obstructs tax recovery;
- obtains repayment of VAT credits through fraudulent means.

Section M. 108.- The penalties referred to in Section M. 107 above shall also be inflicted upon whoever:

- fails to make or ensure the making of entries, or abets the making of inaccurate or fake

entries into the journals and balance sheet books provided for by the Commercial Code, or into documents serving as such, as well as any person convinced of having drawn up or abetted the drawing of false balance sheets;

- through assault and battery, threats or concerted manœuvres, organizes or attempts to organize collective rejection of taxes or incites the public to reject or delay the payment of taxes;
- 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 of 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 taxation, 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 of issue 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).- Where the decision of the head of the Regional Taxation Centre or the Director responsible for managing “large Enterprises” of 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.

Section M.119.- The claim submitted to the Minister, which shall serve as preliminary petition, must under pain of rejection, 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”.
- be presented within a period of two months from the date of notification of the decision of the Director General of Taxation;
- indicate the tax category, the fiscal year of issue, the article of notice of issue for 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 and 10% 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 M116 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;
- Provides supporting documents showing payment of the undisputed portion of the tax and 10% of the disputed one.
- however, the request for respite of payment made to the Director General of Taxation must be accompanied by supporting documents showing payment of 10% of the disputed tax.

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.- One 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 calculation 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.- Complaints shall be filed at the registry of the administrative court where they shall be registered. An acknowledgement of receipt shall be issued to person who so request.

Section M. 128.- Under pain of inadmissibility, the petition must fulfil 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 M116 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 memoran-

dums 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 therefor.

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 difficulties 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 on turnover tax or other taxes collected from third parties on behalf of the Treasury, as well as penalties arising out of arbitrary assessment.

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.

PERSONAL NOTE



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PERSONAL NOTE



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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 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.- Proceeds from direct council taxes collected by the State shall be derived from:

- business licences;
- liquor licences;
- discharge tax;

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

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 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) However, with regard to inter-city passenger and goods carriers,

the business licence shall be assessed on the basis of the number of seats or the payload of the vehicle.

(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 articles 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. songwriters;
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 ser 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 the business licence for a period of 2 (two) years.

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

RATES

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 licence, 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 licence 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. 14.- (1) One business licence 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 at 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, even in case of exemption, shall be required to make a declaration thereof in writing, to the relevant Taxation Centre within 10 (ten) days following the opening of 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 payer shall display his business licence certificate in his establishment.

(5) To be valid, the business licence certificate so displayed shall be backed by receipt attesting to its payment.

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.

(2) However, notwithstanding the above provisions, inter-city passenger and goods carriers shall declare and pay their business licence within 15 (fifteen) working days following the end of each quarter.

Section C. 24.- (1) The business licence certificate shall be issued by the Taxation Centre in the name of the person carrying out the taxable activity.

(2) It shall be paid to the Collector of Taxes by means of single receipt.

Section C. 25.- After the payment, the Chief of Taxation Centre shall issue to the taxpayer a business

licence certificate bearing his picture in case of a natural person, with business licence payment receipts as annexes.

Section C. 26.- (1) Companies under the jurisdiction of the structure in charge of major companies in the Directorate General of Taxation shall pay the business tax to the collector of taxes by a single transfer order.

(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) In view of the above-mentioned payment supporting documents, the head of the structure shall issue business licence certificates following the same procedure as above.

Section C. 27.- Total or partial omissions detected in assessing the business license, 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 additional 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) Failure to display the business licence shall be punishable with a fine of 10,000 CFA per offence. This fine shall be payable forthwith through a payment form.

(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.

ANNEXES TO CHAPTER I

ANNEX I: TABLE OF CLASSES OF BUSINESS LICENCES AND CORRESPONDING BRACKETS

ANNUAL TURNOVER (T.O) SEGMENT	CLASS	RATE BRACKETS
Turnover of 2,000 million francs and above	1	0.075% to 0.0875%
Turnover of 1,000 million and below 2,000 million francs	2	0.0875% to 0.1
Turnover of at least 500 million and below 1,000 million francs	3	0.1% to 0.108%
Turnover of at least 300 million and below 500 million francs	4	0.108% to 0.116%
Turnover of at least 100 million and below 300 million francs	5	0.133% to 0.150%
Turnover of at least 10 million and below 100 million francs	6	0.158% and 0.16%
Turnover of at least 5 million and below 10 million francs	7	0.283% to 0.4%

ANNEX II: LOCAL TAXATION APPENDIX TO CHAPTER I

APPENDIX II

Table of activities automatically liable to business license tax:

1. Activities in the liberal professions and real estate sectors;
2. Activities in the banking, insurance, and new information and communication technologies sectors;
3. Activities in the services, buildings and public works sectors;
4. Activities in the forestry, mining, water resources, oil and extractive industries sectors;

5. Activities in the industrial and production sectors.

CHAPTER THREE STATE LOANS AND CASH POSITION

Section three:

During the 2014 Financial Year, the Government shall be authorized to negotiate and even conclude concessional and non-concessional loans amounting to CFA 500 billion and CFA 250 billion respectively,

under such conditions that safeguard the State’s financial interests and its economic and political sovereignty.

Section four:

During the 2014 financial year, the

Government shall be authorized to issue securities, notably Treasury bonds, not exceeding CFAF 280 billion, for purpose of financing development projects.

**CHAPTER FOUR
REVENUE ESTIMATES**

Section five

The proceeds and revenues relating the general budget of the Republic of Cameroon for the 2014 financial year are estimated at CFAF 3 312 billion, broken down as follows:

Charge	Head	2013	2014
	A-Own resources	2 662 000	2 703 000
	I-Tax Revenue	1 852 030	1 878 030
721	Personal income tax	174 500	176 600
723	Taxes on non-oil company profits	269 000	272 000
724	Personal income tax for persons living out of Cameroon	49 000	52 000
728	Transfer and transaction taxes	35 000	38 000
730	Value added and turnover tax	751 000	760 800

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 non-alcoholic 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 exempt 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.- Wine and beverages other than those mentioned in the two preceding sections shall be deemed to be alcoholic beverages.

Section C.37.- Liquor licence shall be payable by importers, producers and dealers who sell drinks subject to a licence. It shall be personal and payable annually.

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.

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.

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.- 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.

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.

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:

Categories :

a) category A: producers , service providers and traders with an annual turn over of less than 2 500 000 CFA francs.

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

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

d) 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) 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) Taxpayers subject to the discharge tax may opt for the basic regime. Such a decision shall be irrevocable and also imply opting for the same system for the VAT.

Consequently, such taxpayers shall make their decision known to the head of the taxation centre with territorial jurisdiction before the first of February of the fiscal year.

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 sell-am”) 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:

- hades 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, bomboo 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 booth 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 from property tax provided for by the General Tax Code 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 BIS.- (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.

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 additional 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 provides 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:
1,000 francs 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 Subdivisional 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 exempt 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) The amount 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 issues 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 marketplaces, 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.

(2) 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 taxes 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 abovementioned 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 PARKING LOTS

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. Landing stage:

- 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 docu-

ment 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.

- **francs** per day and per vehicle;
- residents: 30,000 francs per year and per vehicle.

a) Vehicles with distributor :

- non residents: 200 francs to 500 francs per day and per vehicle;
- residents: 5,000 francs to 10,000 **francs** per year and per vehicle.

b) Magazines with sound system:
500 francs per day.

(5) Failure to pay the advertising tax shall entail payment of a fine of 100% of the amount of the principal due.

(6) The neon signs placed at the front of commercial and industrial establishments to indicate their location shall be exempted from the payment of the advertising.

XV - ADVERTISING TAX

Section C.103.- Delete

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 200 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 stamp duty of 400 francs.

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, notwithstanding 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 initialled 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.

(2) 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.

(3) 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 savaged 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.- (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) *Repealed.*

(5) Regional an 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 particular 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 abovementioned 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 tax and 50% of the fraction being challenged.

(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.

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 “and 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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PERSONAL NOTE

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PERSONAL NOTE



Lined area for personal notes, consisting of multiple horizontal lines.

PERSONAL NOTE

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PERSONAL NOTE



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