

NEWSLETTER

Tax and Legal

December
2020

TITLES

News

Calender

COMPLIMENTS FOR THE SEASON!



RECENTLY PUBLISHED:

Legal

- ❖ **Letter n°5049/D/SETSRC of 11 December 2020 relating to compliance with the regulatory provisions on the use of electronic payment instruments outside CEMAC**

By letter dated 11 December 2020, the National Director of the BEAC reminds banks of the supporting documents to be produced in the context of the use of electronic payment instruments outside the country, as provided by Instruction n°008/GR/2019 of 10 June 2019.

- ❖ **Governor's Decision N°119/GR/2020 extending the deadline for companies operating in the mining and hydrocarbon sectors to comply with the provisions of foreign exchange regulations.**

The Governor of the BEAC has extended the deadline for companies operating in the mining and hydrocarbons sectors to comply with foreign exchange regulations **by 31 December 2021**. Read the decision on this matter.

- ❖ **Regulation n°01/20/CEMAC/UMAC/COBAC of 03 July 2020 relating to the protection of consumers of banking products and services in CEMAC**

COBAC adopted, on 03 July 2020, the regulation on the protection of consumers of banking and financial products. This regulation **made available on the 08 November 2020 will be applicable on 1 January 2021**. Be sure to read the regulation to understand all its implications.

- ❖ **Letter n° LC-COB/31/DSP/DCP/NDC of 02 November 2020 on compliance with foreign exchange regulations.**

In a letter dated 02 November 2020, the Governor of the BEAC questioned the Directors of Banks on the upsurge of breaches of foreign exchange regulations. Refer to the letter for more details.

- ❖ **Notice C/541 of the Governor of BEAC, dated 29 October 2020, relating to the implementation of Article 7 of the Finance Law 2019 in Cameroon**

On 29 October 2020, the Governor of the BEAC recalled that communication credits cannot be considered as means of payment or currency.

Tax

- ❖ **Law n°2020/018 of 17 December 2020 on the finance law of the Republic of Cameroon for the financial year 2021**

The finance law for the year 2021 was promulgated on 17 December 2020 by the Head of State. It contains major customs and tax innovations, in particular the clarification of the VAT regime on intangible services or the various reductions in the rate of corporate income tax and the advance corporate income tax.

News

Calendar 

LEGAL OBLIGATIONS

OBLIGATION	RESPONSIBLE	APPLICABLE LAW	DEADLINE
Filing of Financial Statements at the Court Registry	Each local entity	Article 269 UACCEIG	D+30 after AA

TAX OBLIGATIONS*

NATURE OF TAX	TAX	APPLICABLE LAW	DEADLINE
Company Income Tax (CIT)	CIT Rate 33% Monthly Advance CIT: <ul style="list-style-type: none"> ▪ 2.2% or 5,5% of the Turnover ▪ 15,4% gross margin (administered margin sector) Withholding tax on purchases: <ul style="list-style-type: none"> ▪ 2%, 5%, 10%, 15%, 20% ▪ 14% gross margin (administered margin sector) 	Article 17 of GTC Article 21 of GTC	No later than the 15th of the month following the reporting month.
CIT Withholding tax for service providers	Tax 5,5%	Article 92(a) of GTC	No later than the 15th of the month following the reporting month
Value Added Tax (VAT)	Local/Import = 19,25% Export = 0%	Article 142(a) paragraph 3 of GTC CGI	No later than the 15th of the month following the reporting month
Income from Stocks and Shares (IRCM)	16.5%	Article 70 of CGI	No later than the 15th of the month following the reporting month
Special Income Tax (TSR)	General Rate: 15% Medium Rate : 10% Reduced Rate : 5% Super reduced Rate: 2%	Article 225 of GTC	No later than the 15th of the month following the reporting month
Annual Tax Declaration (DSF) Transfer Pricing Documentation		Article 18 of GTC	No later than 15th March

*Note the existence of specific tax regimes resulting from tax treaties, oil / mining / gas codes, and private investment incentives in Cameroon.

News

Calendar



TAX OBLIGATIONS

NATURE OF TAX	TAX	APPLICABLE LAW	DEADLINE
Personal Income Tax (IRPP)	According to a scale (11% to 38,5%)	Articles 69 and 71 of GTC	No later than the 15th of the month following the reporting month
Audiovisual Tax (RAV)	According to a scale	Ord. N°89/004 of 12 December 1989	No later than the 15th of the month following the reporting month
Employers contribution to land tax (CF/ part patronale)	Tax : 1,5 %	Law n ° 77/10 of July 13, 77 modified by Law n ° 90/050 of December 19, 1990	No later than the 15th of the month following the reporting month
Employees Contribution to land tax (CF/ part salariale)	Tax : 1 % Base of calculation IRPP	Law n ° 77/10 of July 13, 77 modified by Law n ° 90/050 of December 19, 1990	No later than the 15th of the month following the reporting month
National Employment Fund (FNE)	Tax : 1 %	Law n ° 77/10 of July 13, 77 modified by Law n ° 90/050 of December 19, 1990	No later than the 15th of the month following the reporting month
Family Allowance (AF)	7% pensionable salary capped at 750,000 FCFA monthly	Article 2 of Decree 2016/072 of 15 February concerning rates of social security contributions	No later than the 15th of the month following the reporting month
Old Age Pension Allowance (PVID)	8.4% (Employer 4.2% and Employee 4.2%) pensionable salary capped at 750,000 FCFA monthly	Article 3 of Decree 2016/072 of 15 February concerning rates of social security contributions	No later than the 15th of the month following the reporting month
occupational diseases and industrial accidents allowance (AT)	Group A : 1,75% Group B : 2,5% Group C : 5%	Article 8 of Decree 2016/072 of 15 February concerning rates of social security contributions	No later than the 15th of the month following the reporting month
Union dues	1% of the phased categorical salary of the worker	Article 21 Decree No.72 / 610 of 3 November 1972	No later than the 15th of the month following the reporting month
Excise Duties (DA)	DA Ad valorem Tax (variable according to the nature of the product) : 25 %; 12,5 %; 5%; 3%; 0,5% DA on tobacco and alcoholic drinks DA specific to non-returnable packaging	Article 142 of GTC	No later than the 15th of the month following the reporting month