



ANNUAL
REPORT
2021

Directorate General
of Taxation



MINISTRY OF FINANCE



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« (...) Fiscal reforms, particularly in the taxation and customs sectors, have boosted our capacity to mobilize funds from the international financial market...

... Thanks to financial resources mobilized both within and outside the country, substantial investments have been made to complete the first generation transformational projects (...) ».

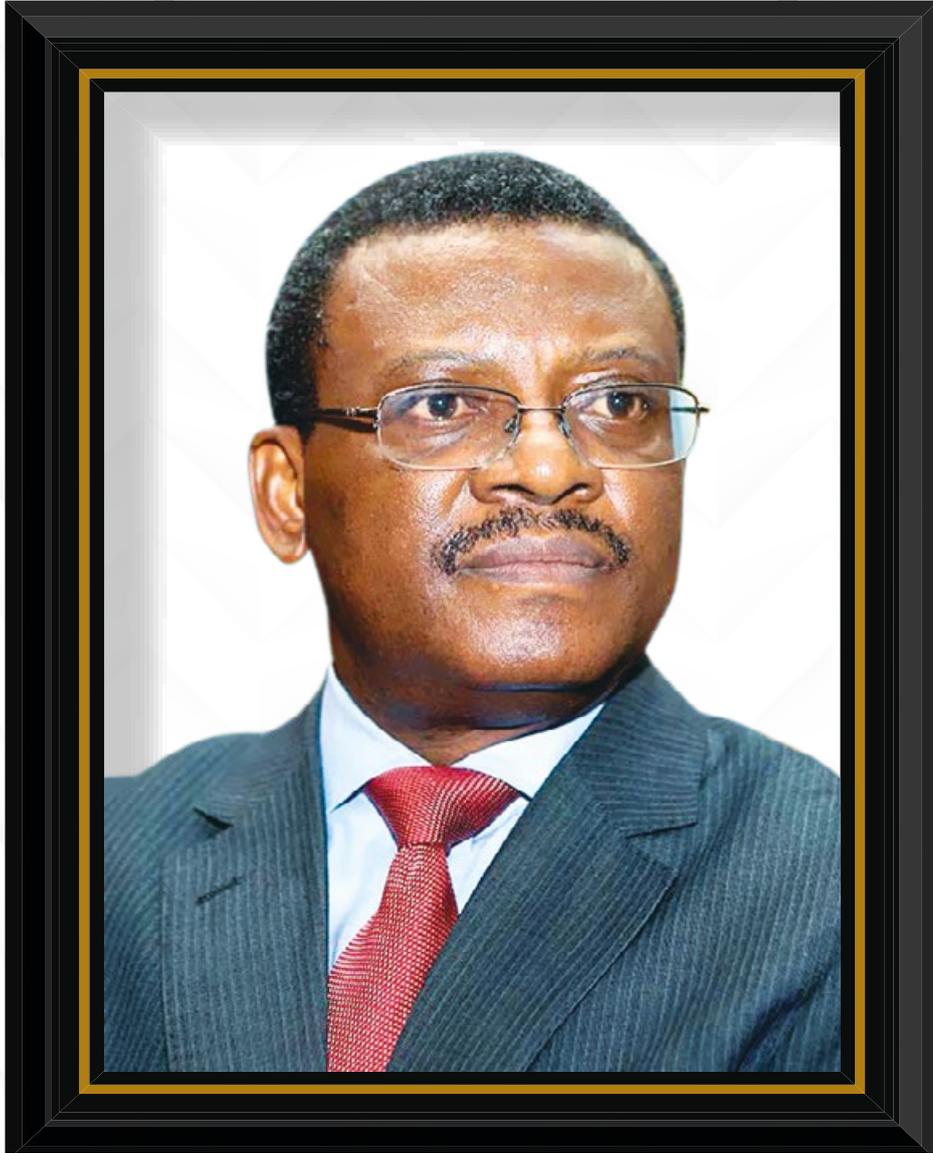
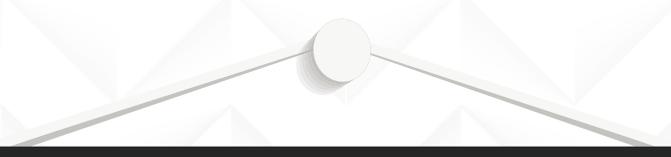
*EXCERPT FROM THE SPEECH OF H.E. MR. PAUL BIYA, PRESIDENT OF THE REPUBLIC,
TO THE NATION ON DECEMBER 31, 2021.*

”



H.E. PAUL BIYA

President of the Republic of Cameroon

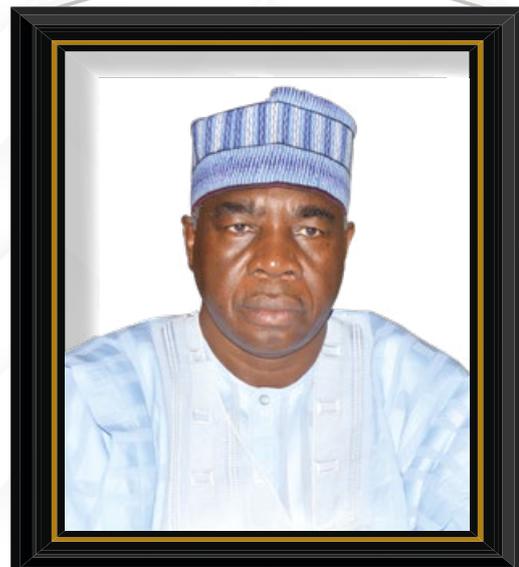


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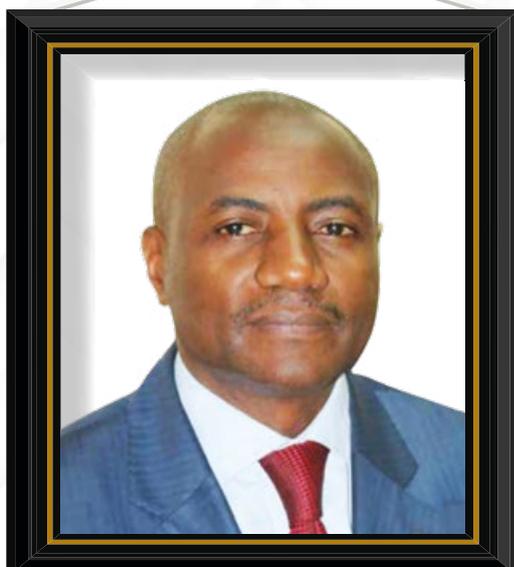
Chief Dr. Joseph Dion NGUTE
Prime Minister - Head of Government



Mr. Louis Paul MOTAZE
Minister of Finance



Mr. YAUBA ABDOULAYE
Minister Delegate to
the Minister of Finance



Mr. Gilbert Didier EDOA
Permanent Secretary at
the Ministry of Finance



FROM THE MINISTER OF FINANCE

Foreword



The strong growth of the world economy in 2021, with an estimated **6.0%** increase in real GDP, should be seen in the context of the severe recession (**-3.1%**) in the previous year caused by the Covid-19 pandemic. This growth was due in part to the continued adjustment of economies, to the restrictions of the Covid-19 pandemic and to continued government support in many countries. However, the momentum dropped as supply chains continued to be disrupted in many ways.

In this context, the Cameroonian economy is experiencing a recovery in activity and the real GDP growth rate has risen to **3.6%**, after **0.3%** in 2020. This recovery is linked to the gradual reopening of the world's economies, after a difficult year in 2020,

“
State budget revenue of FCFA 2 065.7 billion represents 39.1% of total resources and 59.0% of the country's resources. Thus, the execution of the State budget in 2021 confirms the position of the DGT as the primary source of public resources.
”

and the resumption of economic activity in the sectors that were the hardest hit by the crisis, notably services and processing activities.

At the end of the 2021 fiscal year, the Directorate General of Taxation (DGT) mobilised total tax revenue of **FCFA 2 305.0 billion**, of which **FCFA 2 065.7 billion** for the State budget and **FCFA 239.3 billion** for the Local Authorities (LA) and certain

Public Entities (PE). Compared to the achievements of the year 2020, total revenue is up by **FCFA 182.1 billion (+8.6%)**.

State budget revenue of **FCFA 2 065.7 billion** represents **39.1%** of total resources and **59.0%** of the country's resources. Thus, the execution of the State budget in 2021 confirms the position of the DGT as the primary source of public resources.

To achieve this result, the year 2021 was aligned with previous years in the process of modernising the tax system through tax administration and tax policy reforms.

In terms of tax administration, organisational reforms have continued with the completion of the reform of the Divisional Tax Offices (DTO) supported by the digitalisation of procedures. Moreover, special attention has been paid to taxpayers through the modernisation of the management of the taxpayer index, the introduction of the Integrated Tax Partner (ITP) system and the digitalisation of the tax registration procedure, which has made it possible to replace the taxpayer card with the registration certificate, which has unlimited validity. These reforms have also improved the business climate and taxpayer compliance.

In terms of tax policy, the new measures focused particularly on tax incentives for the post-Covid-19 economic recovery and the promotion of the import-substitution policy. The broadening of the tax base has been consolidated through the rationalisation of the conditions for deducting losses relating to damage and the clarification of the VAT territoriality regime on the provision of services.

This annual report describes and analyses in detail the activity carried out by the tax authorities during the year. It is accessible to all readers who will surely find in it information necessary for a better understanding of the work of the Cameroonian tax administration.

Louis Paul MOTAZE
Minister of finance

“
Introductory
remarks

FROM THE DIRECTOR GENERAL



Optimising domestic revenue collection is the Government's primary lever for financing the structural transformation of the economy and ensuring the smooth implementation of the National Development Strategy 2020-2030 (NDS30). In 2021, in line with the main mission of collecting internal resources assigned by the authorities, the Directorate General of Taxation (DGT) mobilised a total tax revenue of **FCFA 2 305.0 billion** for the State, Local Authorities (LA) and some Public Entities (PE).

“ ”

The major reforms of tax administration and policy in 2021 are detailed, including the decisive step taken by the DGT with the dematerialization of tax procedures in the Divisional Tax Offices (DTO), which are responsible for monitoring small and micro enterprises.

State budget revenue amounts to **FCFA 2 065.7 billion** and is made up of non-oil tax revenue and oil-related corporate tax. For a non-oil tax revenue target of **FCFA 1 938.4 billion**, the DGT mobilised **FCFA 1 992.5 billion**, i.e. a target achievement rate of **102.8%**. Compared to the said revenue collected in 2020 of **FCFA 1 853.4 billion**, the increase is **FCFA 139.1 billion (+7.5%)**. Revenues from the oil company tax (IS) amounted to **FCFA 73.2 billion** against a target of **FCFA 56.7 billion**, i.e. an implementation rate of **129.1%**. As for revenue destined for the LA and other Public Entities, it amounted to **FCFA 239.3 billion**.

In a context marked by turbulence linked to the persistence of the Covid-19 pandemic and the ongoing security challenges, the sources of this performance, which places the tax administration as the main contributor to the State budget, must be analysed in detail.

Thus, the 2021 report presents in detail the assessment of the mobilisation of taxes and duties and describes the activities that contributed to the achievement of the results obtained.

Indeed, it highlights the importance of human resources for optimal revenue mobilisation in 2021. The success of the digital transformation of the tax administration undeniably depends on the strengthening of staff capacities and the creation of new jobs related to the analysis of bigdata.

The major reforms of tax administration and policy in 2021 are detailed, including the decisive step taken by the DGT with the dematerialization of tax procedures in the Divisional Tax Offices (DTO), which are responsible for monitoring small and micro enterprises.

The improvement of service quality continued in 2021. This report focuses on the processing of contentious and non-contentious requests. It also presents the efforts made to reduce the time taken to refund VAT credits.

The international activities of the Tax Administration in 2021 are described, including cooperation with specialised international organisations and activities aimed at developing our network of international conventions and agreements.

Finally, the year 2021 has enabled the DGT to take a new step towards the authorities' vision of making our tax system modern and at the service of Cameroon's economic policy.

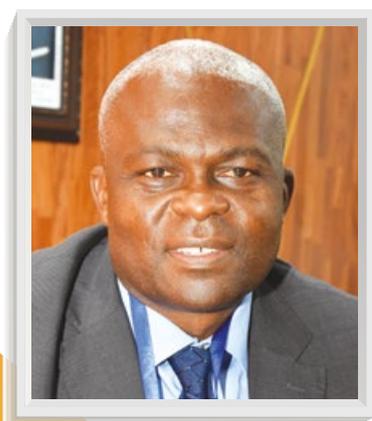
Mopa Modeste FATOING
Director General of Taxation

CENTRAL SERVICES

The central services of the Directorate General of Taxation are made up of ten (10) departments and similar structures



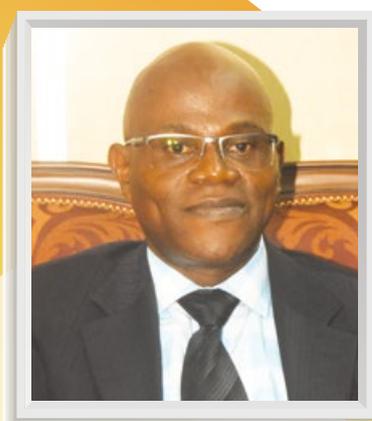
Modeste MOPA FATOING
Director General of Taxation



Roger MEYONG
Head of the Internal Audit Service



Thérèse DZOZONG
Director of General Affairs



Jean Paul MENGUELE
Director of the large Taxpayers
Office



Mariamou KASSIMOU
Director of Tax Collection, Stamps and
Trusteeship



TAMBI Agnès EGBE, épouse TANYI
Head of Division for Statistics and Simulations



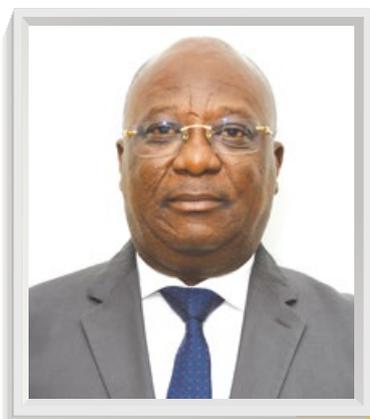
TÉRENCE ADRIEN TOCKE
Head of the Division for Studies, Planning and Monitoring of Tax Reforms



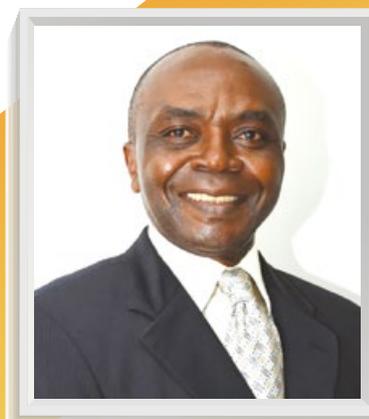
Fayçal ABDOULAYE
Head of Division for Legislation and International Tax Relations



Amadou MOHAMAN
Head of Division for Tax Disputes



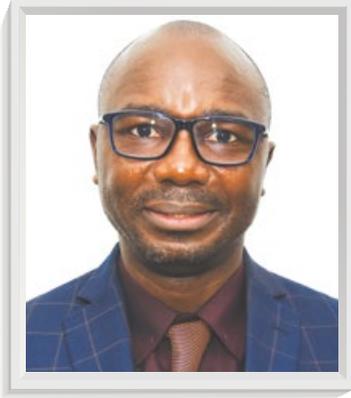
Joseph ODI
Head of the Division for Investigations, Programming and Monitoring of Tax Audits



John KINYUY
Head of the Information Technology Division

DEVOLVED SERVICES

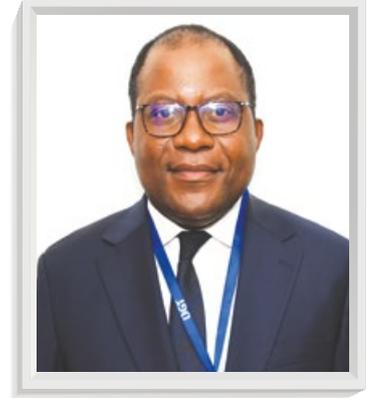
The devolved services of the directorate general of taxation are comprised of 14 regional tax offices



OTSENG Jean Claude Edouard
Head of the Adamawa RTO



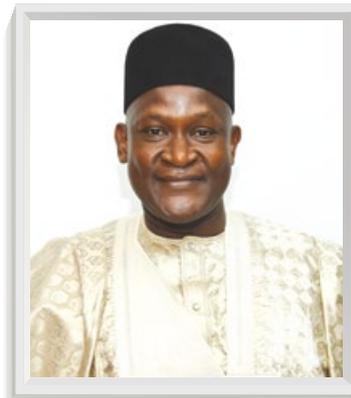
MVOGO Emeline Epse BIHINA
Head of the Center 1 RTO



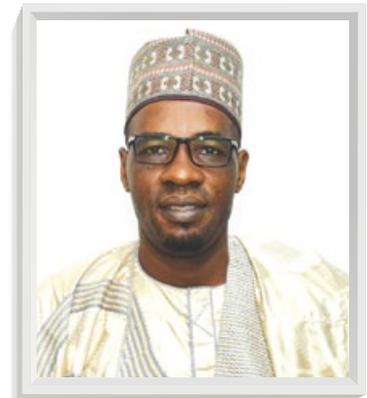
BIKOE Daniel Hyppolite
Head of the Center 2 RTO



**FOSSO TCHUANKAM Rose
Claire Armelle**
Head of the Center External RTO



OUMAROU WADJONRE
Head of the East RTO



HAMADOU SOUAIBOU
Head of the Far North RTO



Jean Martial AKONO
Head of the Littoral 1 RTO



HAMIDOU BOUBA ADJI
Head of the Littoral 2 RTO



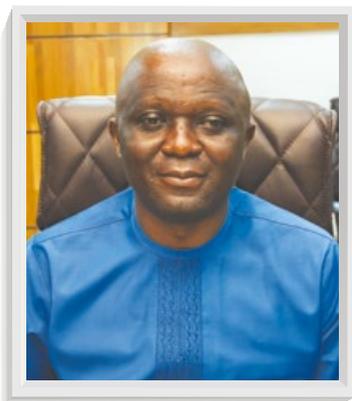
LYONGA Edwin ESUKE
Head of the Littoral External RTO



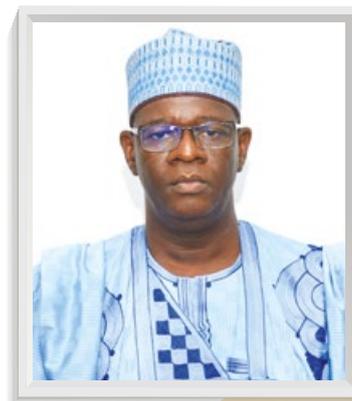
MBARGA Ignace Blaise
Head of the North RTO



Luc Désiré NKONO
Head of the West RTO



FIEKFU Francis
Head of the North West RTO



OUSMANOU NASSOUROU
Head of the South RTO



BILLET Pierre JOSS Raymond
Head of the South West RTO

List of Abbreviations

AFR	Annual Forestry Royalty
AIT	Advance Income Tax
AMC	Approved Management Centers
ATAF	African Tax Administration Forum
CN	Collection Notice
DIPMTA	Department for Investigations, Programming and Monitoring of Tax Audits
DGB	Directorate General of Budget
DGC	Directorate General of Customs
DGT	Directorate General of Taxation
DGTCFM	Directorate General of Treasury, Financial and Monetary Cooperation
DICT	Division of Information and Communication Technology
DSSR	Division of Statistics, Simulations and Registration
DTO	Divisional Tax Offices
DTL	Division of Tax Litigations
DTPITA	Division of Tax Legislation and International Tax Relations
ED	Excise Duty
EDA	Economically Distressed Areas (EDA)
FAA	Full Audit of Accounts
FL	Finance Law
GA	General Audit
GDP	Gross Domestic Product
GTC	General Tax Code
ICT	Information and Communication Technologies
IPC	Industrial and Commercial Profits
LA	Local Authorities
LTO	Large Taxpayers Office
MTO	Medium Size Taxpayer Office
NCP	Non-Commercial Profits
NHC	National Hydrocarbons Corporation
OECD	Organization for Economic Cooperation and Development
PA	Partial Audit
PE	Public Entities
PIT	Personal Income Tax
RF	Registration Fees
RTO	Regional Taxation Office
RTO AD	Regional Taxation Office Adamawa
RTO CE1	Regional Taxation Office Centre 1

RTO CE2	Regional Taxation Office Centre 2
RTO CEX	Regional Taxation Office Centre External
RTO E	Regional Taxation Office East
RTO FN	Regional Taxation Office Far North
RTO LT1	Regional Taxation Office Littoral 1
RTO LT2	Regional Taxation Office Littoral 2
RTO LTEX	Regional Taxation Office Littoral External
RTO N	Regional Taxation Office North
RTO NW	Regional Taxation Office North West
RTO W	Regional Taxation Office West
RTO S	Regional Taxation Office South
RTO SW	Regional Taxation Office South West
SCDP	Cameroon Petroleum Depots Company
SONARA	National Refinery Company
STC	Specialized Taxation Centre
STCPELAO	Specialised Taxation Centre for Public Establishments, Local Authorities and other Organisations
STPP	Special Tax on Petroleum Products
SIT	Special Income Tax
TCC	Tax Clearance Certificate
TO	Turnover
TIN	Taxpayer Identification Number
TISS	Tax on Income from Stocks and Shares
TEC	Common External Tariff
TPF	Tax on Real Estate Ownership
VAT	Value Added Tax

AMNISTIE FISCALE

JE SUIS PROPRIÉTAIRE D'IMMEUBLE EN LOCATION



EN 2022, Je paie la Taxe sur la Propriété Foncière (TPF) et l'Impôt sur les Revenus Fonciers (IRF) sans arriérés et pénalités des années antérieures.

**PAIEMENT DE LA TAXE SUR LA PROPRIÉTÉ FONCIÈRE
ET DE L'IMPÔTS SUR LES REVENUS FONCIERS**



**ZERO ARRIÉRÉS ET
ZERO FCFA DE PÉNALITÉS**

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KEY FIGURES IN 2021

TAX REVENUE COLLECTION

In 2021 the DGT collected tax revenue to the tune of **FCFA 2,305.0 billion**.

Revenue for the State

FCFA 2,065.7 billion collected compared to the **FCFA 1,995.1 billion** target, this represents a realisation rate of **103.5%**:

- Non-oil tax revenue: **FCFA 1,992.5 billion** collected compared to the **FCFA 1,938.4 billion** target, this represents a realisation rate of **102.8%**;
- Income tax for oil companies: **73.2 billion FCFA** collected compared to the **FCFA 56,7 billion** target, this represents a realisation rate of **129.1%**.

Revenue collected for LA and PE

FCFA 239.3 billion collected

- Revenue for LA : **FCFA 203.1 billion**
- Revenue for Public Entities (PE) : **FCFA 36.2 billion**

TAX EXPENDITURE (TE)

Total tax expenditure

439.0 billion, representing **1.7%** of the GDP

Tax expenditure evaluated per tax

- Customs duties on importation (CD): **194.8 billion**, or **0.8%** of GDP
- Value Added Tax (VAT): **165.2 billion**, or **0.7%** of GDP
- Registration duties (RD): **45.0 billion**, or **0.2%** of GDP
- Excise Duty (ED): **38.0 billion**, or **0.2%** of GDP
- Corporate Income Tax (CIT): **33.8 billion**, or **0.1%** of GDP
- Personal Income Tax (PIT): **2.8 billion**

Tax expenditures (TE) evaluated per type of beneficiary

- Households : **266.9 billion** , or **60.8%** of total TE
- Businesses : **101.9 billion**, or **23.2%** of total TE
- Others : **70.2 billion**, or **16.0%** of total TE

Tax expenditures by category of goods

- Essential goods: **FCFA 192.3 billion**, or **6.8%** of tax revenue of which:
 - Flour: **41.4 billion**
 - Rice: **37.2 billion**
 - Fish: **27.5 billion**
 - Wheat and other cereals: **18.8 billion**
- Health and social work: **FCFA 29.9 billion**, or **1.0%** of tax revenue
- Water and electricity social bracket: **FCFA 15.8 billion**, or **0.6%** of tax revenue
- Agropastoral inputs, equipment and materials: **FCFA 27.6 billion**



MAJOR TAXES

Consumption taxes

Domestic VAT:	FCFA 659.0 billion, or 33.1% of the tax output [Total VAT (including customs): FCFA 1,055.1 billion]
Excise duties :	FCFA 270.4 billion, or 13.6% of the tax output
Special tax on petroleum products:	FCFA 146.8 billion, or 7.4% of the tax output

Taxes on Income

(Corporate entities) Non-oil corporate income tax: FCFA 394.3 billion, or 19.8% of the tax output.	(Individuals) payroll taxes: FCFA 175.3 billion, or 6,7% of the tax output.
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TAX Output PER TAX FUNCTION

Voluntary payments :	FCFA 1,860.4 billion, or 93.4% of the tax output
Collection of outstanding debts:	FCFA 111.6 billion, or 5.6% of the tax output
Tax audits:	FCFA 20.5 billion, or 1.0% of the tax output

TAXPAYERS

SEGMENTATION OF TAXPAYERS IN CAMEROON

Professional taxpayers: 138 625

- Large companies (turnover above 3 billion): **549 taxpayers**
- Medium size companies (turnover from 50 million to 3 billion): **16,423 taxpayers**
- Small and micro companies (turnover less than 50 million): **121,653 taxpayers**

Wage earners: 1,547,967 taxpayers

- Public sector: **544,643 taxpayers**
- Private sector: **1,003,324 taxpayers**

HUMAN RESOURCES OF THE DGT

Total: 3,203 staff

By gender

- Male: **1,915 staff**, or **60%** of the employees
- Female: **1,288 staff**, or **40%** of the employees

By services

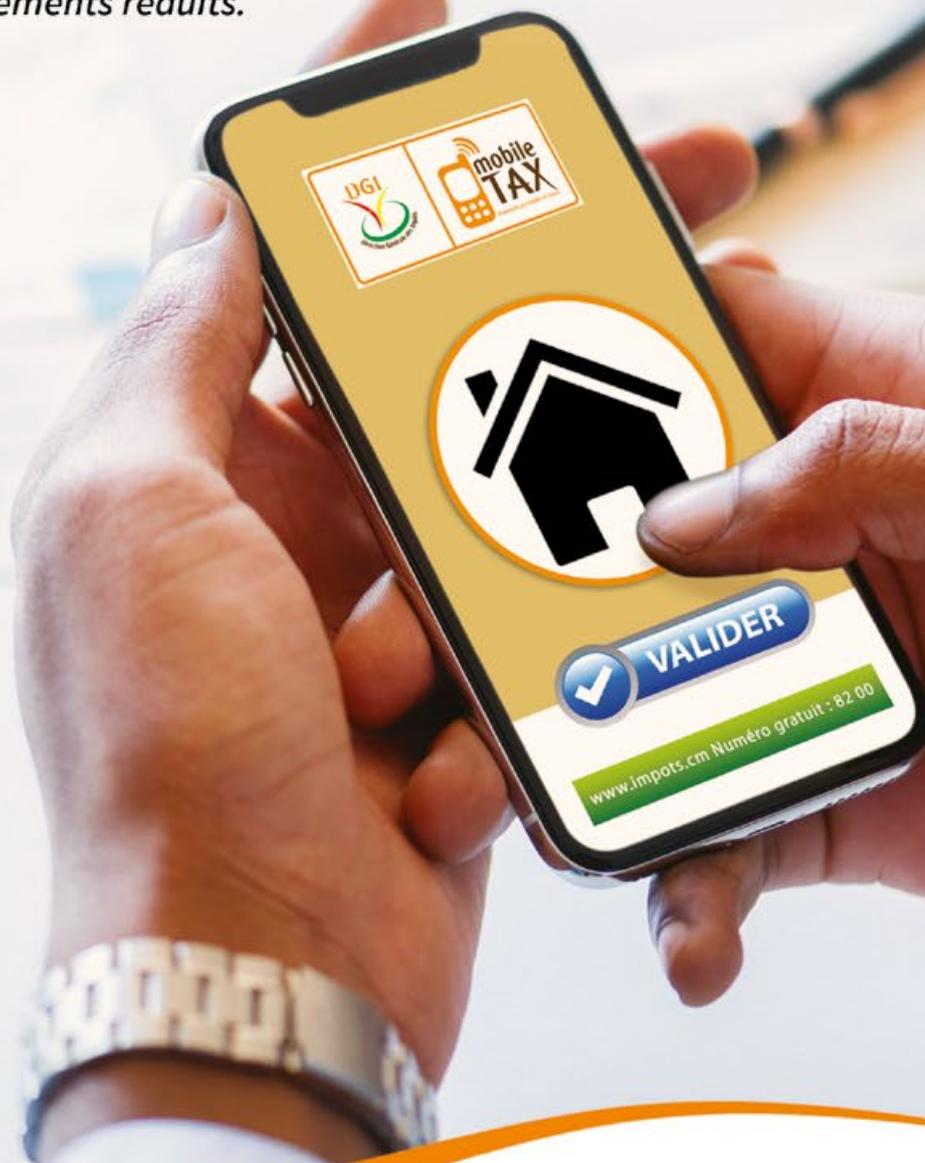
- Central services: **757 staff**, or **23.6%** of the employees
- Devolved services: **2,446 staff**, or **76.4%** of the employees





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THE DIRECTORATE GENERAL OF TAXA- TION A GLANCE

CHAPTER 01

A. Missions and organisation of the Directorate General of Taxation

1. Missions of the DGT
2. The organisation of the DGT

B. Human resources of The DGT

1. Human resources: distributed by status
2. Human resources: distribution by age brackets
3. Human resources: distribution by gender
4. Human resources: distribution by structure
5. Human resources: distribution by hierarchical level
6. Human resources : distribution by tax function
7. Assessment of capacity building in 2021



1) Missions of the DGT

The missions of the Directorate General of taxation are defined by decree N°2013/066 of 28 February 2013 bearing the organisation of the ministry of finance. These missions include:

1. Concerning the coordination and follow-up of services:

Control, coordinate and manage tax offices.

2. Concerning Conception:

Draft legislative and regulatory texts on direct and indirect taxes, registration fees, stamp duties and curatorship, various fees and taxes, in particular oil, mining, forestry, agricultural, pastoral and fishery product taxes, including all duties and taxes for which the DGT is responsible, in liaison with the administrations concerned.

3. On tax assessment:

Identify, localise and register taxpayers.

4. On the collection of taxes and duties:

Issuing and collecting direct and indirect taxes, registration and stamp duties, various taxes and levies.

5. On tax audits and investigations :

- Collecting, centralising, making available and monitoring the use of information for tax purposes;
- Collecting and exploiting property information for tax purposes;
- Controlling and verifying direct taxes, registration fees, stamp duties, trusteeship fees and other taxes.

6. On the protection of taxpayers' rights:

Investigate taxpayers' claims and disputes concerning the tax issued.

7. The fight gainst tax fraud and evasion:

Fighting fraud and cracking down on tax offences.

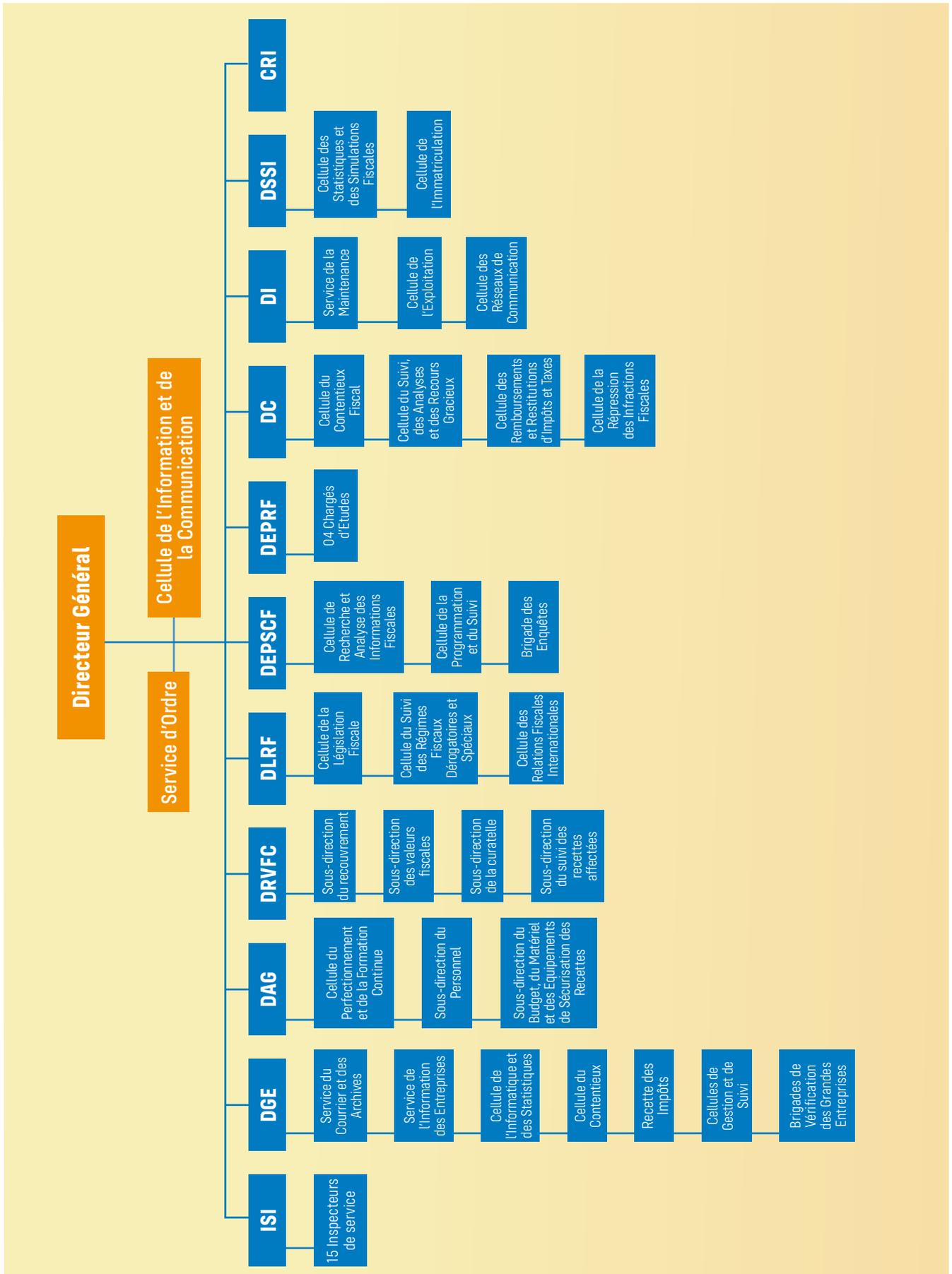
8. In the field of international cooperation:

Negotiating and signing tax conventions and agreements.

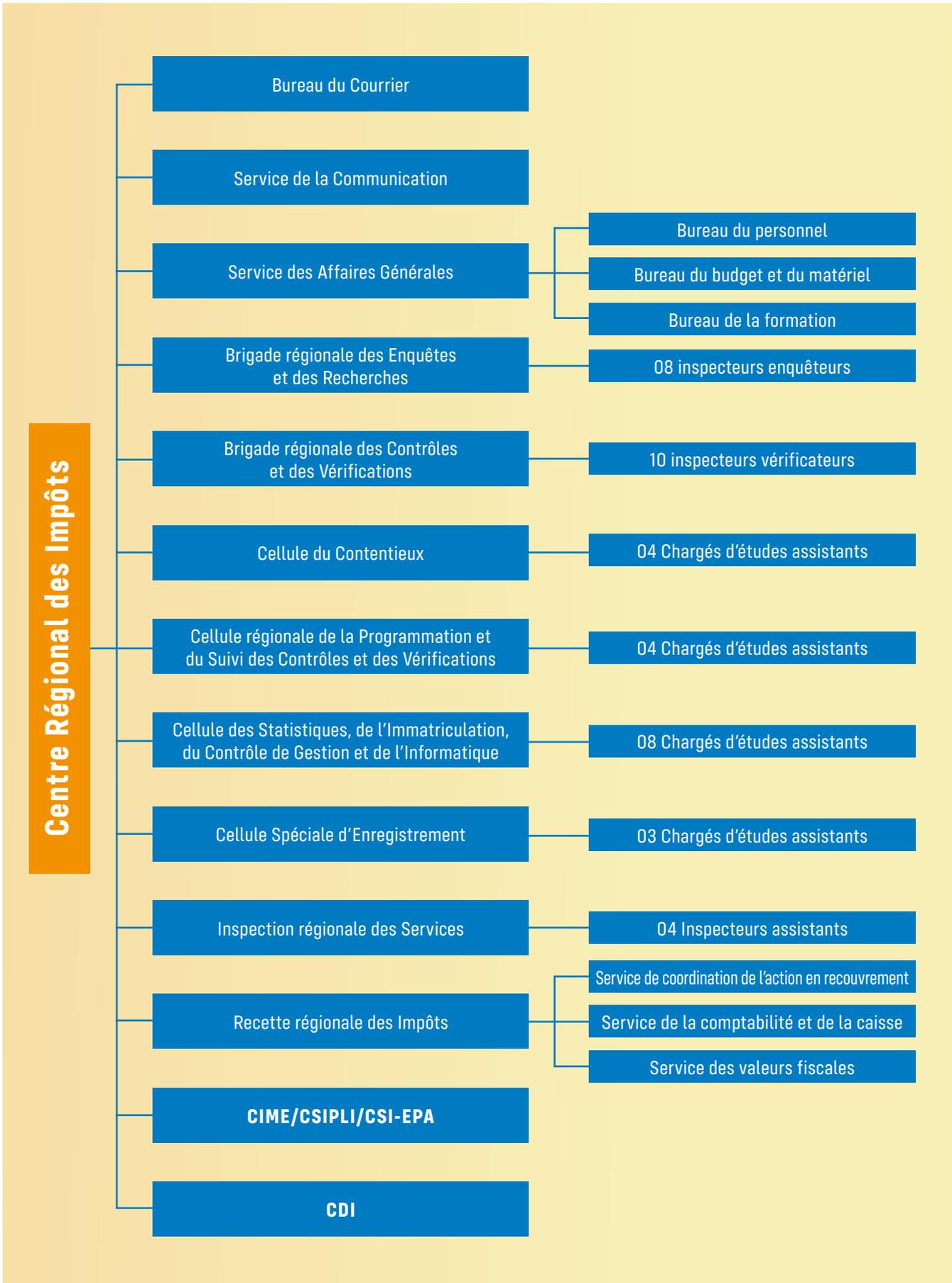


2) The organisation of the DGT

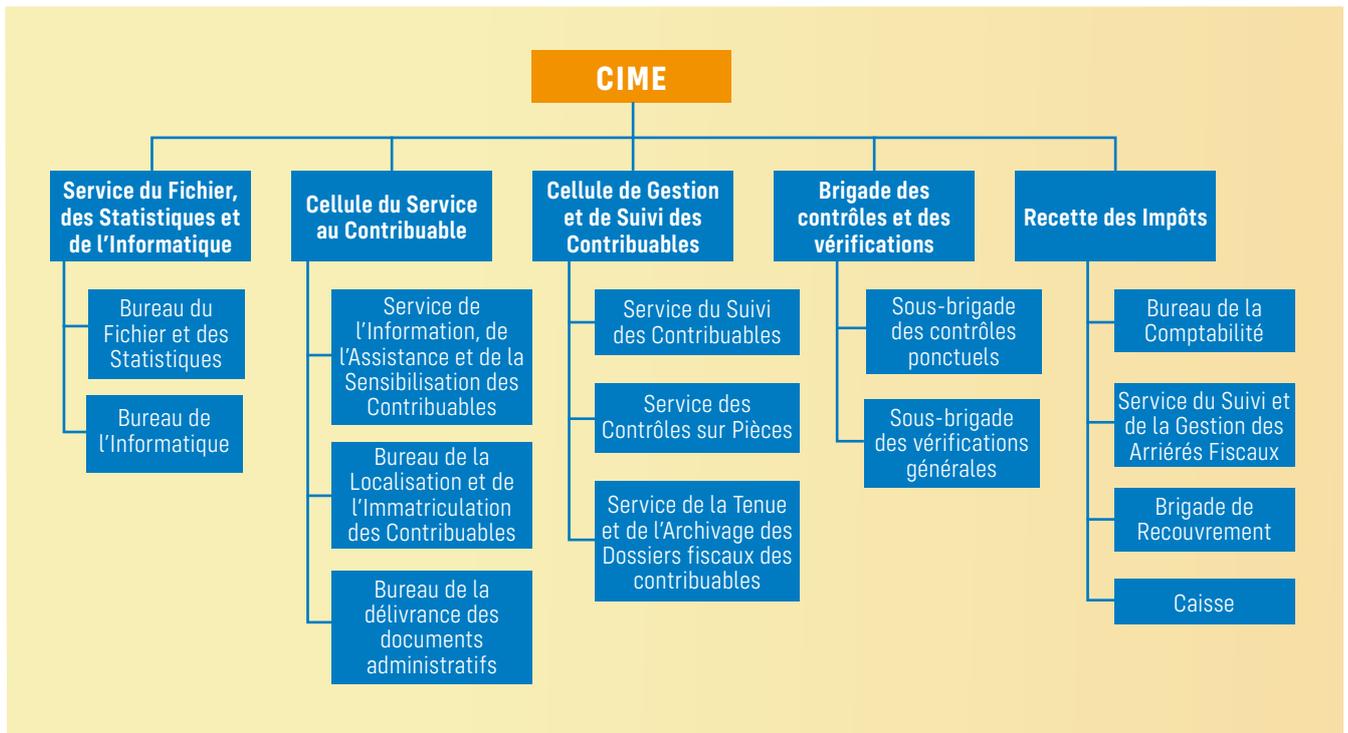
To carry out these missions, the DGT is organised into central services (directorates and similar structures) and devolved services (Regional Tax Offices).



The devolved services comprise fourteen (14) Regional Tax Offices (RTO). The Centre and Littoral regions, because of their potential, are each structured in to three (03) Regional Tax Offices.



ORGANISATION CHART OF THE MEDIUM SIZE TAXPAYERS' OFFICES (MTO)



The overall number of staff in the DGT, which was **3,206** in 2020, dropped to **3,203** in 2021, i.e. a decrease of **3** in absolute value and **-0.1%** in relative value.

1) Human resources: distributed by status

In 2021, the distribution of the DGT's staff is as follows:

- **1,440 civil servants** including **1,359** professional staff, **74** support staff and **7** government employees;
- **1,763 contractual** and clerks staff, including **18** contract support staff (mostly IT specialists).

Table 1: Human resources by status

Status	Number	%
Civil servants	1,440	45%
Contract staff	1,763	55%
Total	3,203	100%

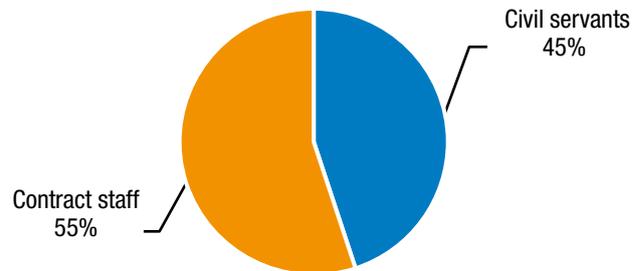


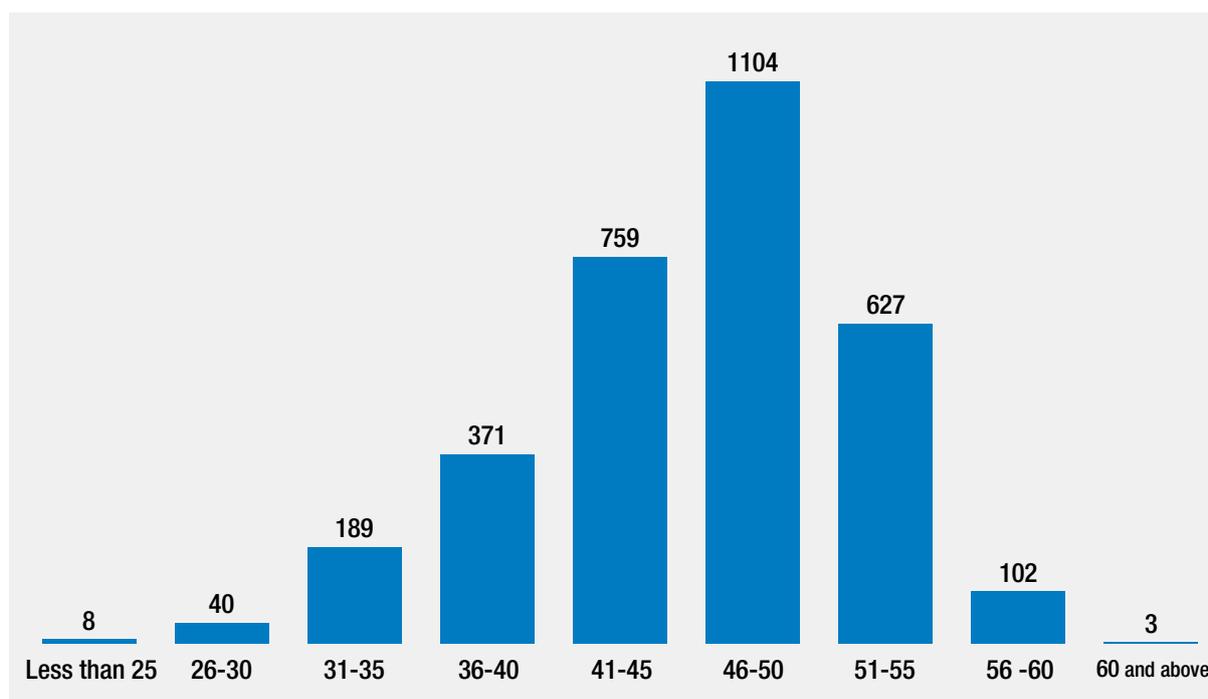
Table 2: Human resources per grade

	Grade	Number	%
civil servants	Senior Tax Inspectors (STI)	353	11.0%
	Tax Inspectors (TI)	527	16.5%
	Senior Tax Controller (STC)	287	9.0%
	Tax Controller (TC)	192	6.0%
	Support Staff (SS)	74	2.3%
	State agents (SA)	7	0.2%
	Total civil servants		1,440
Contract works and others	Contract Management Staff (CMS)	627	19.6%
	Contract Support Staff (CSS)	18	0.6%
	Contract Administration Officer (CAO)	908	28.3%
	Clerks	210	6.6%
	Total contract workers		1,763
Total DGT		3,203	100.0%

2) Human resources: distribution by age brackets

Table 3: Human resources by age bracket

Tranches d'âge	SIFS	IFS	SCFS	CFS	SS	SA	CMS	CAO	DMO	Effectif total	%
less than 25	0	0	0	0	1	0	3	4	0	8	0.2%
26-30	0	4	0	16	5	0	5	4	6	40	1.2%
31-35	0	67	34	41	17	6	6	9	9	189	5.9%
36-40	14	126	38	65	23	0	29	48	28	371	11.6%
41-45	56	160	93	30	17	1	136	205	61	759	23.7%
46-50	151	125	78	30	18	0	230	384	88	1,104	34.5%
51-55	108	44	36	9	5	0	189	218	18	627	19.6%
56 -60	22	1	7	1	6	0	29	36	0	102	3.2%
60 and above	2	0	1	0	0	0	0	0	0	3	0.1%
TOTAL	353	527	287	192	92	7	627	908	210	3,203	100.0%



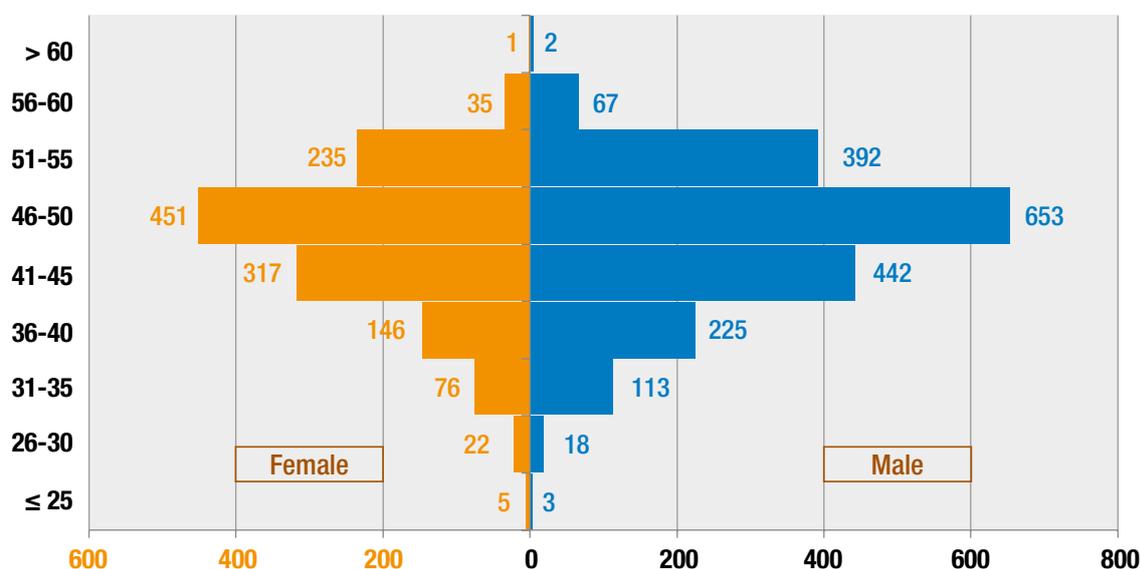
The bulk of the workforce is concentrated in the **46-50** age bracket, representing **34.5%** of the total workforce, an experienced class of staff with a lot to give, due to the strength of age and professional knowledge acquired over years of work.

The Head of State's measure to harmonize the retirement age has enabled the Tax Administration to continue to benefit from the of about 100 experience staff who would have been eligible for retirement at the end of 2021.

Table 4: Human resources per age bracket and gender

Age bracket	Female		Male		Total	
	Number	%	Number	%	Number	%
≤ 25	5	0.4%	3	0.2%	8	0.2%
26-30	22	1.7%	18	0.9%	40	1.2%
31-35	76	5.9%	113	5.9%	189	5.9%
36-40	146	11.3%	225	11.7%	371	11.6%
41-45	317	24.6%	442	23.1%	759	23.7%
46-50	451	35.0%	653	34.1%	1104	34.5%
51-55	235	18.2%	392	20.5%	627	19.6%
56-60	35	2.7%	67	3.5%	102	3.2%
> 60	1	0.1%	2	0.1%	3	0.1%
Total	1,288	100.0%	1,915	100.0%	3 203	100.0%

Age Pyramid



The above age pyramid is a graphical representation of the age and gender distribution of the DGT workforce. This mushroom-shaped pyramid reflects solid skills of experienced staff who are committed to the cause of public service.

Faced with the profound reforms of digitalisation of procedures and the creation of new job requirements, the DGT's staff, with an average age of almost 47 years, must adapt to these changes. In addition, simultaneous retirements can also lead to a risk of a sudden loss of know-how for the DGT. It is therefore essential to act upstream in order to allow the transfer of skills.

3) Human resources: distribution by gender

Male staff represent **60%** of the staff of the DGT, i.e. **1,923 staff**, against **40%** of female staff, i.e. **1,283 staff**.

Table 5: human resources by gender

Genre	Number	%
Male	1,915	60%
Female	1,288	40%
Total	3,203	100%



4) Human resources: distribution by structure

The devolved services comprised of the Regional Tax Offices (RTO) account for **71.5%** of the DGT's staff, i.e. **2,289** people. In these services, men represent **59%** and women **41%**.

Table 6: Human resources per structure

STRUCTURES	Male	female	Total	Percentage
1- CENTRAL SERVICES				
Central Structures DGT	212	139	351	11.0%
Large Tax Office	101	63	164	5.1%
Revenue Enhancement Programmes	140	102	242	7.6%
Sub total central services [1]	453	304	757	23.6%
2- DEVOLVED SERVICES				
RTO CENTRE I	172	212	384	12.0%
RTO CENTRE II	106	165	271	8.5%
RTO CENTRE EXTERNAL	111	86	197	6.2%
RTO LITTORAL I	103	102	205	6.4%
RTO LITTORAL II	125	101	226	7.1%
RTO LITTORAL EXTERNAL	72	70	142	4.4%
RTO FAR-NORTH	80	11	91	2.8%
RTO ADAMAWA	70	12	82	2.6%
RTO NORTH-WEST	70	26	96	3.0%
RTO OUEST	98	27	125	3.9%
RTO NORTH	63	17	80	2.5%
RTO EAST	86	29	115	3.6%
RTO SOUTH	103	46	149	4.7%
RTO SOUTH-WEST	87	39	126	3.9%
Sub-total RTO [2]	1,346	943	2,289	71.5%
Staff of the Tax Administration on secondment to other administrations and MINFI [3]	116	41	157	4.9%
TOTAL [1] + [2] + [3]	1,915	1,288	3,203	100.0%

Concerning devolved services

The Regional Tax Offices (RTO) of the Centre administrative region (**27%**) and those of the Littoral (**18%**) have the highest number of staff (**45%**). This concentration of staff is proportional to the number of taxpayers in these centres. In addition, the administrative requirement to reunite families explains this concentration of staff, especially women.

In addition, the security situation in the Far North, North West and South West regions has created many disruptions in the management of human resources in these regions.

Concerning coordination services

The coordination services made up of the central structures and the revenue enhancement programs account for **18.5%** of the DGT's staff, compared with **76.6%** for the operational services, as detailed in the table below:

Table 7: Human resources by type and structure

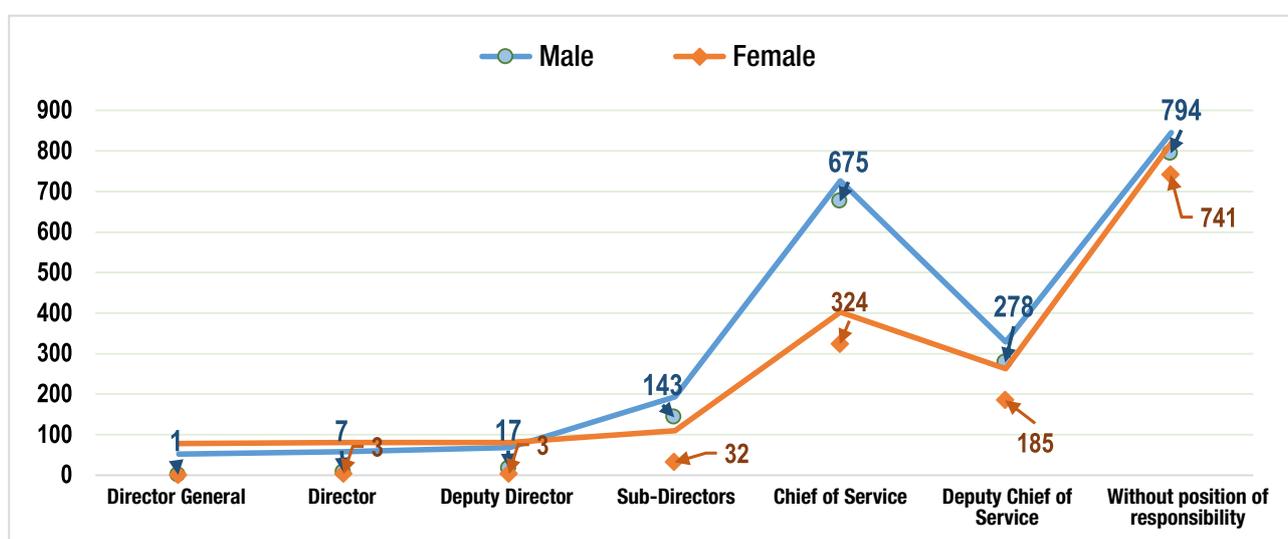
	Male	Female	Total	%
COORDINATION SERVICES	352	241	593	18.5%
Central services	212	139	351	11.0%
Revenue enhancement programs	140	102	242	7.6%
OPERATIONAL SERVICES	1,447	1,006	2,453	76.6%
Regional Tax Offices	1,346	943	2,289	71.5%
Large Taxpayers Office (LTO)	101	63	164	5.1%
STAFF ON SECONDMENT	116	41	157	4.9%
TOTAL	1,915	1,288	3,203	100.0%



5) Human resources: distribution by hierarchical level

Table 8: Human resources by hierachical levels (staff on sceondment not considered)

Position occupied	Male	Female	Total
Director General	1	0	1
Director	7	3	10
Deputy Director	17	3	20
Sub-Directors	143	32	175
Chief of Service	675	324	999
Deputy Chief of Service	278	185	463
Without position of responsibility	680	698	1378
Total	1,801	1,245	3,046

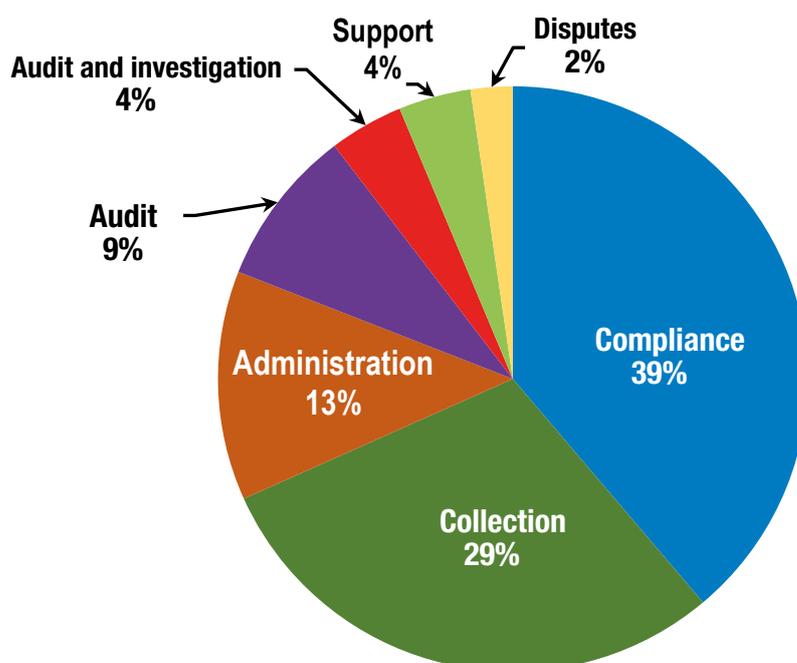


The DGT has demonstrated an appreciable level of women's empowerment. Out of a total of 1,763 staff members, 566 women (32%) hold positions of responsibility ranging from Director to Deputy Chief of Service.

6) Human resources : distribution by tax function

Table 9: Human resources by tax function (excluding staff on secondment)

Fonction	Civil servants			Contract workers				Total	%
	TI	TC	Others	CMS	CAO	Clerks	Others		
Compliance	188	245	11	267	384	88	0	1 183	38,8%
Audit	231	18	1	6	9	0	0	265	8,7%
Collection	56	141	17	228	383	72	0	897	29,4%
Disputes	56	1	0	8	5	0	0	70	2,3%
Audit and investigation	79	13	7	13	9	3	0	124	4,1%
Administration	140	33	12	67	90	42	2	386	12,7%
Support	0	3	31	38	28	5	16	121	4,0%
Sub-total	750	454	79	627	908	210	18	3 046	100,0%
Total	1,283			1,763					



In order of importance, the compliance function accounts for **39%** of the DGT's staff, i.e. **1,183** people, followed by the collection function, which accounts for **29% (897)**. These two tax functions employ **68%** of the staff of the tax administration. The dematerialisation of tax procedures, particularly tax declarations and payments, should, in the years to come, lead to a reorientation of staff from these tax functions to other functions.

7) Assessment of capacity building in 2021

a) The implementation of the training program

In 2021, seventeen (17) training sessions were carried out, for over of **20,567** people, i.e. **2,367** DGT staff and **18,200** taxpayers. The DGT's training plan laid particular emphasis on the digitalisation of procedures and the operationalisation of the renovated Divisional Tax Offices (DTO), notably through the «training, awareness and information caravans on tele-procedures» which were deployed throughout the national territory.

The trainings provided took into account the geographical diversity and status of DGT staff. Those from central and devolved services (all tax regions), and of all grades (inspectors, controllers and contract workers) were able to benefit from the said training sessions.

The topics of the training sessions are detailed in the table below:

Table 10: Trainings provided in 2021, by topic

N°	Strategic objective	Topics	Target	Number of persons trained	Beneficiary service
1	Broadening the tax base and securing revenue	New provisions of the Finance Law 2021	Directors, Deputy Directors and Heads of Services	300	Central services and RTO
2	Improving the business climate	Processing of applications for refunds of VAT credits	Compliance officers of MTO, CSIPLI and CSI-EPA	232	All MTO, CSIPLI and CSI-EPA
		Fire safety in the new DGT building	Central services staff, hostesses and law enforcement officers	350	Central services DGT

N°	Strategic objective	Topics	Target	Number of persons trained	Beneficiary service
3	Enhancing tax functions	Analysis and cross-checking techniques for forestry information	Investigating Inspectors	26	DEPSCF
		International exchange of information for tax purposes	Auditors LTO and MTO of Yaoundé and Douala	52	LTO and MTO of Yaoundé and Douala
		Automated tax audit follow-up	Heads of brigades LTO and MTO	50	DEPSCF and RTO
4	Support functions and cross-cutting activities	FUSION application features: Phase 1	Staff LTO, RTO Centre 1, Centre 2, Centre Extérieur, Littoral 1, Littoral 2 and Littoral Extérieur	90	LTO and RTO of Yaoundé and Douala
		Features of the FUSION application: Phase 2	Staff of LTO, RTO Centre 1, Centre 2, Centre Extérieur, Littoral 1, Littoral 2 and Littoral Extérieur Managers of MTO, CSIPLI and CSI-EPA	48	LTO and RTO of Yaoundé and Douala
		Use of OTP (Online Tax Payment)		11 672	All RTO
		Training of the heads of the Regional Tax Offices (RTO) on the renovated DTO	Heads of Regional Tax Centres	14	All RTO
		Information, sensitisation and training on the renovated DTO in Yaoundé and Douala	Taxpayers and management staff, auditors and IT staff of DTOs	1 780	New DTO yaoundé douala
		Information, sensitisation and training on the renovated DTOs in the regional capitals	Taxpayers and management staff, auditors and IT staff of DTOs	938	DTO regional head quarters
		FUSION application features: Phase 1	Taxpayers and DTO managers, auditors and IT staff	4 928	DTO divisional head quarters
		Features of the FUSION application: Phase 2		36	Internal Audit
		Use of OTP (Online Tax Payment)	Staff IT	14	IT
		Training of the heads of the Regional Tax Offices (RTO) on the renovated DTO	Staff central services	27	Central services of the DGT
Information, sensitisation and training on the renovated DTO in Yaoundé and Douala	Staff central services	10	Central services of the DGT		
Total persons trained				20,567 including 2,367 staff and 18,200 taxpayers	

The training courses are summarised in the following tables by type of structure and by category of staff:

Table 11: Staff trained by structure

Service	number	%
Conception services	583	25%
Operational services	1,784	75%
Total	2,367	100%

Table 12: Beneficiaries of trainings by category

Category	Numebr	%
Category « A »	1,104	47%
Category « B »	483	20%
Contract workers	780	33%
Total number of staff	2,367	100%

b) *Setting up of the Training Centre*

The construction of the DGT's training centre was completed at the beginning of 2021. The procedures for the acquisition of IT equipment have been initiated and should be completed in 2022.

The process of setting up a roster of trainers, responsible for running the centre on a permanent basis, has got its first graduates from training courses conducted by the American and French cooperation agencies between September and December 2021, i.e. a total of 20 staff already equipped with training skills.



c) *Assistance to students in national universities and acadademic institutions*

As in the past, DGT contributed to the training of students enrolled in various national and regional academic institutions through academic internships. Twenty-five (25) students from higher professional training institutes, notably the Sub-Regional Institute of Statistics and Applied Economics (ISSEA) and the Sahel Higher Institute (ISS) were received and supervised in 2021.

In addition, a draft collaboration protocol between the DGT and higher education institutes and schools is being finalised. It will make it possible to formalise relations with the said schools, with a view to improving the conditions of deployment and reception of students at the DGT within the framework of their academic or professional training courses.

REVENUE COLLECTION

CHAPTER 02



A. Assessment of revenue collection by the DGT in 2021

1. DGT, the main source of Government revenue in 2021
2. The DGT, the main resource mobilisation post for the councils and PEs in 2021

B. Evolution of tax revenue collected by the DGT

1. Evolution over time in absolute terms
2. Evolution of revenues in relative terms

A

ASSESSMENT OF REVENUE COLLECTION BY THE DGT IN 2021

Following the collection of FCFA 2,305.0 billion in 2021, the DGT remained the main source of domestic revenue mobilisation for the Government (2,065.7 billion), Local Authorities (203.1 billion) and Public Entities (36.2 billion).

1) DGT, the main source of Government revenue in 2021



a) With regards to State revenue

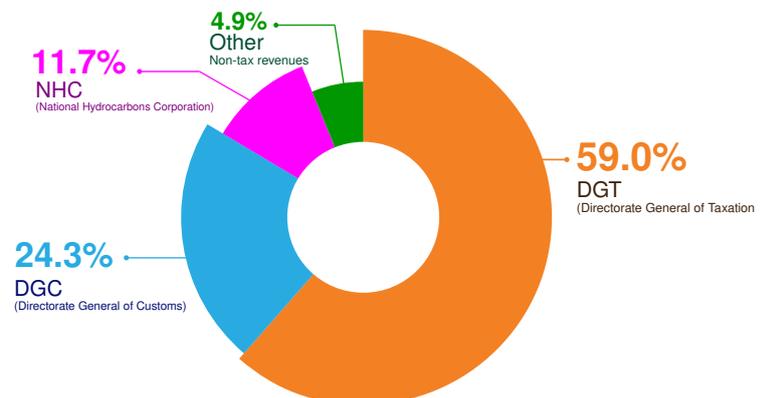
The State's budgetary revenue (excluding grants and loans) stood at **3,500.3 billion** in 2021, with the DGT contributing **2,065.7 billion (59.0%)** as detailed in the table below:

Table 13 : Situation of revenue mobilisation of State's resources in 2021 (in billion FCFA)

Structures	Output 2021	Ratio
DGT	2 065.7	59.0%
DGC	852.3	24.3%
NHC	409.0	11.7%
Others	173.2	4.9%
Total	3 500.3	100.0%

Sources: MINFI/DGT & Treasury accounts

Figure 1: Distribution of the State's resources in 2021



b) *With regards to overall State revenue*

The overall budget of the State in 2021 amounted to **5 278.0 billion**, with **1 711.7 billion** as loans and **66.2 billion** as grants. The table below shows the details of the state's overall resources in 2021:

Table 14: Situation of the overall resources of the State in 2021 (in billion FCFA)

	Resources	Output 2021	Ratio
State's own resources	DGT	2 065.7	39.1%
	DGC	852.3	16.1%
	NHC	409.0	7.7%
	Others	173.2	3.3%
	Total state own resources	3 500.3	66.3%
loans and grants	Loans	1 711.7	32.4%
	Grants	66.2	1.3%
	Total loans and grants	1 777.9	33.7%
Total revenues		5 278.2	100.0%

Sources: MINFI/DGT & Treasury accounts

c) *Evolution of overall State resources between 2020 and 2021*

The State's overall resources have increased from **5 012.9 billion** in 2020 to **5 278.2 billion** in 2021, an increase of **265.3 billion (+5.3%)**. The details are presented in the table and graph below:

Table 15: Evolution of the overall resources of the state between 2020 and 2021 (in billion FCFA)

	Structures	Output 2021	Output 2020	Ratio
State's own resources	DGT	2 065.7	1 926.6	+7.2%
	DGC	852.3	707.8	+20.4%
	NHC	409.0	321.4	+27.3%
	Others	173.2	192.7	-10.1%
	Total state own resources	3 500.3	3 148.5	+11.2%
loans and grants	Loans	1 711.7	1 822.7	-6.1%
	Grants	66.2	41.7	+58.8%
	Total loans and grants	1 777.9	1 864.4	-4.6%
Total revenues		5 278.2	5 012.9	+5.3%

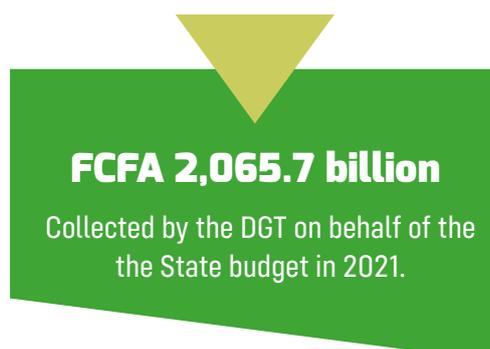
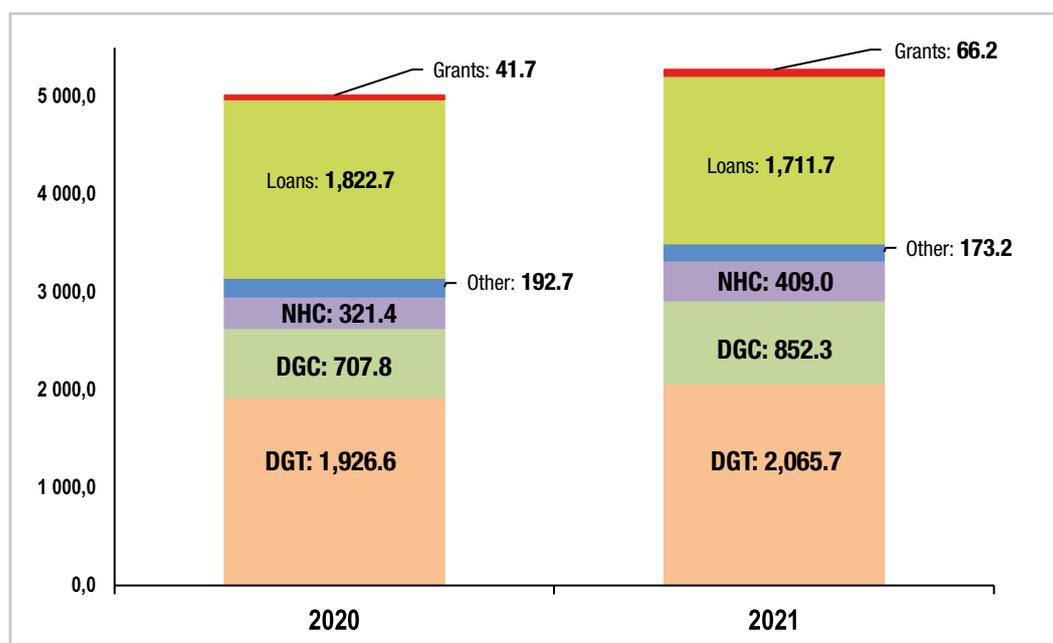


Figure 2 : Evolution of global government resources between 2020 and 2021



Box 1. Sources of revenue to the State budget

The State budget of Cameroon is composed of mainly:

- domestic taxes and duties;
- customs duties;
- oil revenue;
- other revenue;
- grants and loans.

Revenue from domestic taxes and duties include mandatory withholdings from earnings and activities carried out within the national territory. It may be direct taxes (Corporate Income Tax (CIT) and Personal Income Tax (PIT)) or indirect (Value Added Tax, Special Tax on Petroleum Products, Excise Duties, ...). The collection of this revenue done under the authority of the DGT represents **39.1%** of the State budget in 2021.

Custom Revenue constitute duties collected from the application of external tariff (TEC), VAT imports, Excise duties and other taxes withheld at the border. The mobilization of this revenue is done by the DGC, representing **16.1%** of the State budget in 2021.

Oil revenues consist mainly of oil royalties remitted

by NHC to the Treasury, representing **7.7%** of the State budget in 2021.

Other revenues are made of non-tax resources like services revenue and pension contributions, including pipeline transit fees and revenue from privatization. The collection of this revenue representing **33%** of the State budget (excluding grants and loans) in 2021 was done essentially by the Directorate General of Budget (DGB).

Grants represent non-refundable cash disbursements from other national or foreign public administrations or international organisations.

Loans are made up of refundable disbursements to public administration arising from contractual engagements. All these represent **33.7%** of the 2021 State budget.

The notion of budgetary revenue excludes deductions whose proceeds are attributed to structures other than the State, precisely Local Authorities (LA) and Public Establishments (PE) although the DGT collects the bulk of resources assigned to these structures.

d) *Detailed analysis of the State's resources collected by the DGT in 2021*

d.1. **Non-oil tax revenues**

A non-oil tax revenue mobilisation target of **1 938.4 billion** was assigned to the DGT in the 2021 Finance Law. At the end of the year, the tax administration mobilised non-oil tax revenues of **1 992.5 billion**, i.e. an achievement rate of **102.8%** and an overrun of the target of **54.2 billion**. Compared to the year 2020, during which **1 853.4 billion** were collected, non-oil tax revenue increased by **139.1 billion (+7.5%)**.

i. **Monthly distribution of non-oil tax revenue collected by DGT in 2021**

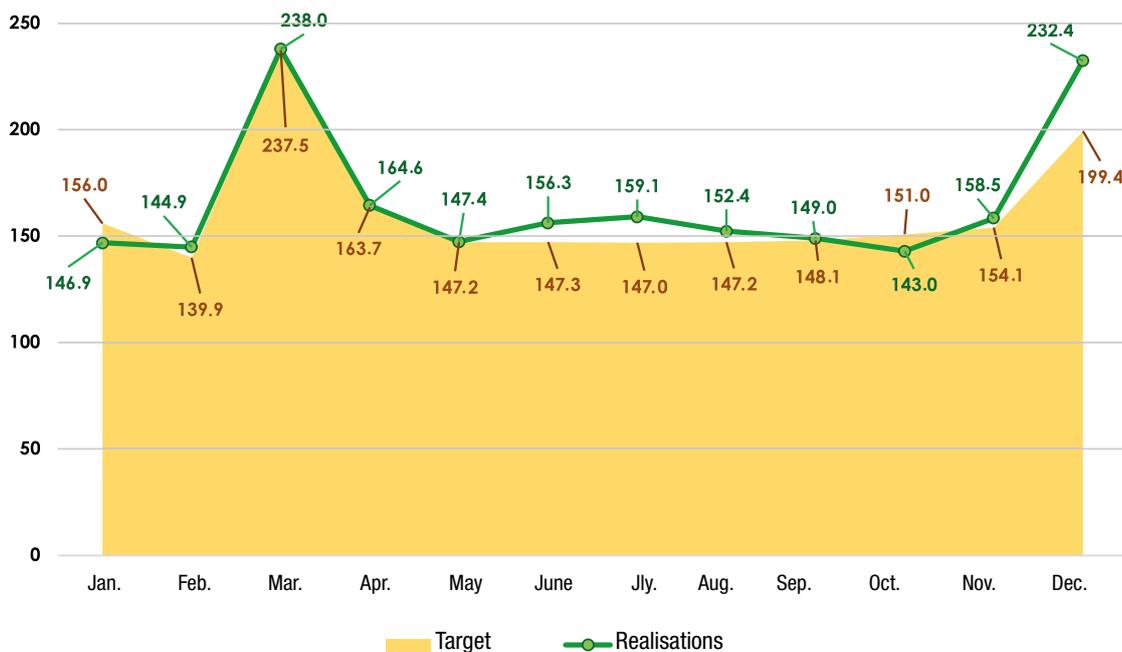
The average monthly collection of non-oil tax revenues by the DGT is estimated at **166.0 billion** in 2021, with peaks of **238.0 billion** in March and **232.4 billion** in December.

Table 16: Monthly collection of non-oil tax revenues in 2021 (in billion FCFA)

	Jan.	feb.	Mar.	Apr.	May	June	Jly.	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Targets (FL)	156.0	139.9	237.5	163.7	147.2	147.3	147.0	147.2	148.1	151.0	154.1	199.4	1 938.4
Output	146.9	144.9	238.0	164.6	147.4	156.3	159.1	152.4	149.0	143.0	158.5	232.4	1 992.5
Rate of output	94.2%	103.6%	100.2%	100.5%	100.1%	106.1%	108.2%	103.5%	100.6%	94.7%	102.9%	116.5%	102.8%
Contribution as a % of annual revenue	7.4%	7.3%	11.9%	8.3%	7.4%	7.8%	8.0%	7.6%	7.5%	7.2%	8.0%	11.7%	100.0%

Sources: MINFI/DGT & Treasury accounts

Figure 3 : Monthly collection of non-oil tax revenues in 2021



(1) Tax collection is highest in the months of March and December, the former because of the payment of corporate income tax balances and the latter due to the accounting regularisation of taxes that were not accounted for during the year.

Compared to the year 2020, DGT's monthly revenues for the year 2021 show an average increase of **7.5%**.

Table 17 : Monthly comparison of tax output between 2020 and 2021 (in billion FCFA)

	Jan.	feb.	Mar	Apr.	May	June	Jly.	Aug	Sept.	Oct.	Nov.	Dec.	Total
Output 2021	146.9	144.9	238.0	164.6	147.4	156.3	159.1	152.4	149.0	143.0	158.5	232.4	1 992.5
Output 2020	160.9	131.8	239.6	134.4	124.8	146.7	143.8	144.7	142.0	140.2	141.0	203.6	1 853.4
Evolution 2021/2020	-8.7%	+10.0%	-0.7%	+22.5%	+18.2%	+6.6%	+10.6%	+5.3%	+4.9%	+2.1%	+12.4%	+14.1%	+7.5%

Sources: MINFI/DGT & Treasury accounts

**1,992.5
billion FCFA**

of non-oil tax revenue collected by the
DGT in 2021.

FCFA

FCFA

Recettes

ii. Tax revenue collected by operational unit of the DGT

• Non-oil tax revenues by operational unit in 2021

The contributions of the DGT's operational structures to resource mobilisation are varied and depend, on the one hand, on the level of economic activity in each region and, on the other hand, on the potential of the portfolio of taxpayers of each operational structure.

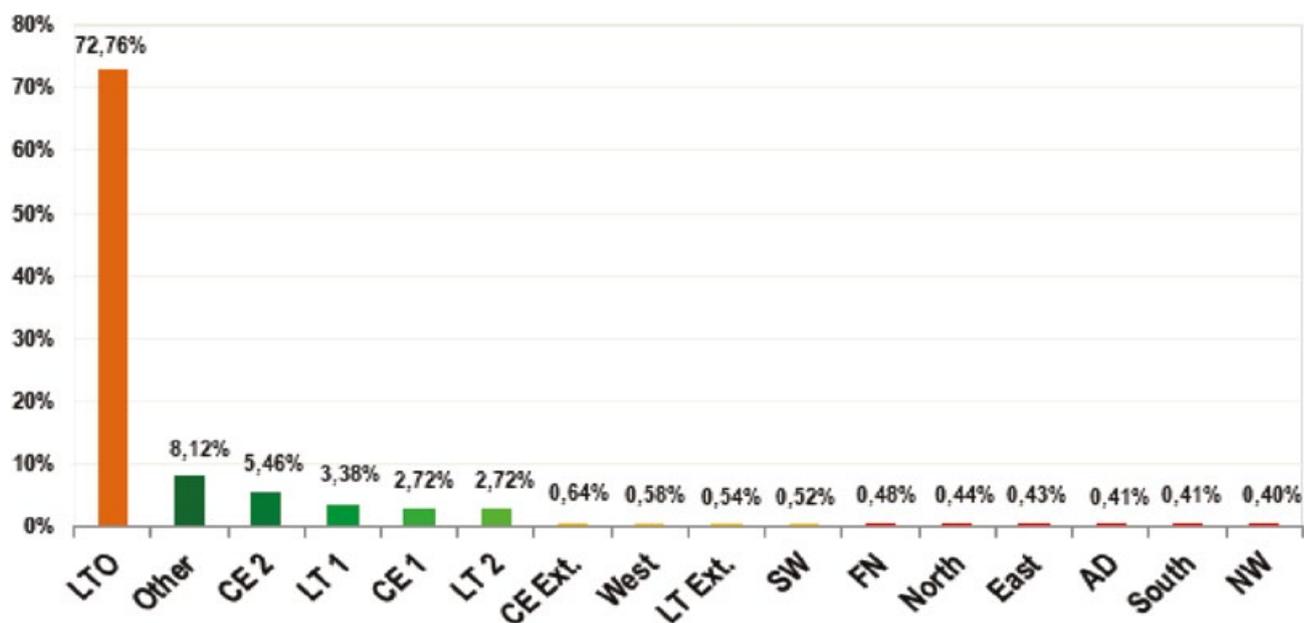
The table below details the weight of each structure in the revenue collected:

Table 18: Tax collection per operational unit in 2021 (in billion FCFA)

Structures	Output 2021	Ratio
Large Taxpayers Office (LTO)	1 449 791.1	72.76%
RTO Adamawa	8 239.3	0.41%
RTO Centre 1	54 218.5	2.72%
RTO Centre 2	108 740.2	5.46%
RTO Centre External	12 735.4	0.64%
RTO East	8 498.9	0.43%
RTO Far North	9 496.6	0.48%
RTO Littoral 1	67 435.1	3.38%
RTO Littoral 2	54 185.8	2.72%
RTO Littoral External	10 823.4	0.54%
RTO North	8 711.8	0.44%
RTO North West	7 989.8	0.40%
RTO West	11 516.3	0.58%
RTO South	8 105.4	0.41%
RTO South West	10 298.7	0.52%
Other	161 701.5	8.12%
Total DGT	1 992 487.8	100.00%

Source: DGT

Figure 4: Tax collection per operational unit in 2021



Source: DGT

Box 2: Revenue potential of operational structures of the DGT

The Large Tax Office (LTO), with **549 taxpayers** in 2021 against **502** in 2020, represents the largest item in terms of revenue mobilised by the DGT, i.e. **72.8%** against **73.7%** in 2020. The LTO has national jurisdiction and groups together the largest companies in the whole country, defined as those with a turnover equal to or greater than **3.0 billion**. Moreover, almost all companies authorised to make withholding taxes (VAT, AIT) are under the jurisdiction of the LTO, which increases its potential for mobilising tax revenues within the operational structures of the DGT.

The Regional Tax Offices of the Centre 1 and 2 (administrative territory of Mfoundi) and Littoral 1 and 2 (administrative territory of Wouri) represent in 2021, the most important revenue mobilisation posts of the DGT, after the LTO, thanks to their Medium Size taxpayers office (MTO) and Specialised

Tax Centres (CSI-EPA, CSIPLI, CSE). The MTO include taxpayers with annual turnover of between **50 million** and **3 billion**.

The fourteen (**14**) Regional Tax Offices (RTO) contributed **19.1%** of the DGT's output, i.e. **381.0 billion** in 2021 against **330.0 billion** in 2020.

Other stakeholders participate in the mobilisation of resources on behalf of the DGT. These are the public accountants in terms of taxes withheld at source on the salaries of State personnel (**38.3 billion** in 2021), VAT withheld at source on public contracts and that relating to externally financed contracts (**111.4 billion** in 2021) as well as revenue from the ceiling on automobile stamp duty and revenue allocated to the Housing Fund (CFC) and the National Employment Fund (FNE) (**13.0 billion** in 2021). All of these stakeholders are grouped under the heading «Other».

- Evolution of tax non-oil tax revenue per operational structure of the DGT between 2020 and 2021

The performance of almost all operational structures of the DGT has increased as shown in the following table:

Table 19: Evolution of the performance of operational services between 2020 and 2021 (in billion FCFA)

Structures	Output		Variation 2021/2020
	2021	2020	
Large Taxpayers Office (LTO)	1 449 791.1	1 365 676.4	+6.2%
RTO Adamawa	8 239.3	7 527.4	+9.5%
RTO Centre 1	54 218.5	54 463.9	-0.5%
RTO Centre 2	108 740.2	89 421.3	+21.6%
RTO Centre External	12 735.4	9 850.5	+29.3%
RTO East	8 498.9	8 296.6	+2.4%
RTO Far North	9 496.6	8 394.2	+13.1%
RTO Littoral 1	67 435.1	59 604.5	+13.1%
RTO Littoral 2	54 185.8	43 630.7	+24.2%
RTO Littoral External	10 823.4	8 717.8	+24.2%
RTO North	8 711.8	8 202.7	+6.2%
RTO North West	7 989.8	7 073.7	+13.0%
RTO West	11 516.3	10 407.1	+10.7%
RTO South	8 105.4	7 159.9	+13.2%
RTO South West	10 298.7	7 210.0	+42.8%
Other	161 701.5	157 756.1	+2.5%
Total DGT	1 992 487.8	1 853 392.9	+7.5%

Source: DGT

The reforms of E-procedures and reorganisation of tax services have led to a tighter and more efficient follow-up of taxpayers. These reforms had a significant positive impact in the output of field services:

- The output of the LTO, which was **1 365.7 billion** in 2020, increased to **1 449.8 billion** in 2021, i.e. an increase of **84.1 billion (+6.2%)**. The average monthly revenue, which was **113.8 billion** in 2020, rose to **120.8 billion** in 2021, i.e. an increase of **8.0 billion**. This performance was achieved in a difficult economic context marked by a drop in the output of certain taxes (Dividend Tax and STR) as well as the absence of budgetary coverage of the tax debts of certain public entities;
- The revenue of the Regional Tax Office (RTO) of the Centre administrative Region (Centre 1, Centre 2 and Centre External), which was **153.7 billion** in 2020, rose to **175.7 billion** in 2021, i.e. an increase of **22.0 billion (+14.3%)**. The average monthly revenue, which was **12.8 billion** in 2020, rose to **14.6 billion** in 2021, i.e. an increase of **1.8 billion**. This performance is as a result of the reorganisation of the Divisional Tax Centres and the creation of a new RTO. The stagnation of the output of the RTO Centre 1 is explained in particular by the drop in revenue from the stamp duty on passports (**-2 billion**) due to the new procedure of issuing passport which came into effect July 2021;
- The revenue of the Regional Tax Offices (RTO) in the Littoral administrative Region (Littoral 1, Littoral 2 and Littoral External) rose from **112.0 billion** in 2020 to **132.4 billion** in 2021, i.e. an increase of **20.5 billion (+18.3%)** in annual variation. The average monthly revenue, which was **9.3 billion** in 2020, rose to **11.0 billion** in 2021, i.e. an increase of **1.7 billion**. As presented above, the reorganisation of the Divisional Tax Centres, the creation of a new RTO and the digitalization of procedures led to this increase.

The digitalization of procedures also made it possible to mobilise more revenue in the two regions affected by the security crises (North-West and South-West). This revenue increased from **14.3 billion** in 2020 to **18.3 billion** in 2021, i.e. an increase of **4.0 billion (+18.0%)**.

iii. Distribution of non-oil tax revenues by tax function

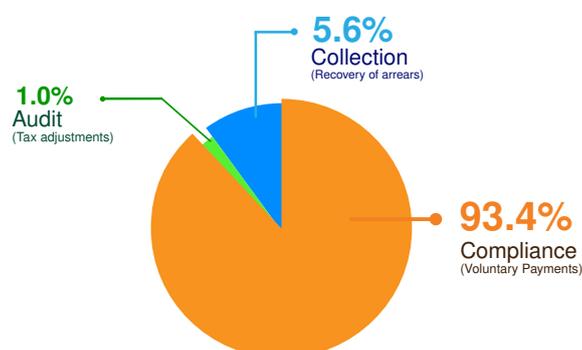
- **Non-oil tax revenues by tax function in 2021**

Three tax functions contribute to the mobilisation of resources within the DGT. These are the «Compliance», «Audit» and «Collection» functions:

Table 20: DGT performance by tax function in 2021 (in billion FCFA)

Fonctions	Output 2021	Ratio
Compliance	1 860.4	93.4%
Audit	20.5	1.0%
Collection	111.6	5.6%
Total	1 992.5	100.0%

Source: DGT



- **Evolution non-oil tax revenues per tax function between 2020 and 2021**

The table below shows the evolution of revenues by tax function between 2020 and 2021:

Table 21: Evolution revenue by tax function between 2020 and 2021 (in billion FCFA)

Fonctions	Output		Evolution 2021/2020
	2021	2020	
Compliance	1 860.4	1 675.5	+11.0%
Audit	20.5	39.3	-47.8%
Collection	111.6	138.6	-19.5%
Total	1 992.5	1 853.4	+7.5%

Source: DGT

The table above shows that the performance of the compliance function shows a significant jump (**+11.0%**), while the performance of the collection and audit functions fell by **19.5%** and **47.8%** respectively.

1) The compliance function

With a output of **1 860.4 billion**, the compliance function contributed **93.4%** of the DGT's non-oil tax revenue for the 2021 fiscal year. The revenues of the management function are made up of:

- Voluntary payments by the private sector, which include monthly payments by private sector enterprises and public entities;
- Tax balances paid annually;
- Voluntary payments by the State, consisting of taxes withheld at source on public procurement and on the wages and salaries of State employees.

• Performance of the compliance function in 2021

The contributions of the various components of the compliance function, namely voluntary payments from the private sector (**83.7%**), annual balances (**6.2%**) and withholdings from public procurement and from the wages and salaries of government employees (**9.6%**), are presented in the table below:

Table 22: Output of the management function in 2021 (in billion FCFA)

Voluntary payments	Output 2021	Ratio
Private sector	1 557.3	83.7%
Balances	124.6	6.7%
State	178.5	9.6%
Total	1 860.4	100.0%

Source: DGT

• Evolution of the compliance function between 2020 and 2021

Between 2020 and 2021, the performance of the compliance function increases by **11.0%**. The table below shows the details:

Table 23: Evolution of the performance of the compliance function between 2020 and 2021 (in billion FCFA)

Voluntary payments	Output		Evolution 2021/2020
	2021	2020	
Private sector	1 557.3	1 416.2	+10.0%
Balances	124.6	110.7	+12.6%
State	178.5	148.6	+20.1%
Total	1 860.4	1 675.5	+11.0%

Source: DGT

a) Analysis of the monthly Voluntary payments of the private sector

Monthly revenue from voluntary payments by private and public sector enterprises amounted to **1 544.3 billion** as at 31 December 2021, compared to **1 416.2 billion** in 2020, an increase of **141.1 billion**. This **10.0%** increase is well above the nominal GDP growth rate, which was estimated at **7.1%** in 2021. The main sectors driving this growth are the «Beverage industry» (**+15.5%**) and «Information and telecommunication activities» (**+11.6%**).

As mentioned above, the computerisation of procedures and the reorganisation of tax services have made it possible to achieve this performance.

b) Analysis of the annual tax balances

Regarding the annual tax balances, the output for the year 2021 skyrocketed compared to the year 2020. It was **110.7 billion** in 2020 against **124.6 billion** in 2021, i.e. an increase of **13.9 billion (+12.6%)**.

This performance is due to the flourish of economic activity in 2020 and the close follow-up of taxpayers. Specifically, the good performance was driven by the «Industries» **(+58.0%)** and «Banking, Insurance and ICT» **(+5.1%)** sectors, mitigated by declines in the «General Trade» **(-20.0%)**, «Services» **(-11.0%)** and «Forestry, Water and Oil» **(-11.0%)** sectors.

c) Analysis of taxes on the execution of the state budget

The output of taxes and duties on public procurement and on the remuneration of State employees is estimated at **178.5 billion** as at 31 December 2021, compared with **148.6 billion** in 2020, i.e. an increase of **29.9 billion (+20.1%)**. This good performance is explained by the increase in withholdings from public contracts **(+27.7 billion)** and withholdings from salaries and wages of State employees **(+2.2 billion)**.

2) The audit

In the context of this report, the audit function refers to the activities of the General Audit of Accounts (GAA). In 2021, GAA contributed **1.0%** of non-oil tax revenue mobilised by the DGT. The evolution of the output between 2020 and 2021 is presented in the table below:

Table 24: Evolution of the performance of the audit function between 2020 and 2021 (in billion FCFA)

Audit	Output		Evolution 2021/2020	
	2021	2020	Absolute	Relative
General Audit of Accounts	20.5	39.3	-18.8	-47.8%

Source: DGT

Analysis of the performance of the tax audit function portrays an output of **20.5 billion** in 2021 against **39.3 billion** in 2020, i.e. a drop of **18.8 billion** in absolute value and **-47.8%** in relative value.

Measures taken by the Government in response against Covid-19 explains this drop, as well as the suspension of field tax audit for the 2nd quarter of 2020, which was renewed during the 1st half of the 2021 financial year.

3) The collection function

• Performance of the collection function

As at 31 December 2021, the collection function contributed **5.6%** of non-oil tax revenue. The evolution of the collection function's revenue from 2020 to 2021 is as follows:

Table 25: Evolution of the performance of the collection function between 2020 and 2021

Collection	Output		Variation	
	2021	2020	absolute	relative
Performance	110.7	138.6	-27.9	-20.2%

Source: DGT

The revenue collected from the enforced collection of tax arrears stands at **110.7 billion** in 2021 against **138.6 billion** in 2020, a fall of **27.9 billion (-20.2%)**. This fall is explained by the drop in:

- budgetary cover allowing the clearance of tax debts of certain public entities;
- taxes withheld at source in connection with the construction of infrastructure for the African Cup of Nations (CAN).

• **Stock of outstanding debts (RAR) of the DGT at the end of December 2021**

The stock of outstanding debts at 1 January 2021 was estimated at **782.3 billion**, of which **489.5 billion** in principal and **292.9 billion** in penalties. In 2021, new entries into the accounts (PEC) amount to **423.4 billion**, of which **291.6 billion** in principal and **131.8 billion** in penalties.

Clearances for 2021 are **350.1 billion**, comprising **128.3 billion** in penalties and **222.0 billion** in principal. The principal payments include revenue from the State budget and the Additional Council tax (CAC) intended for the Local Authorities (LA). They are broken down as follows:

- actual receipts: **25.2 billion**;
- budgetary coverage: **43.7 billion**;
- deductions/adjustments: **99.0 billion**.

Thus, the residual stock of outstanding debts of the DGT as at 31 December 2021 amounts to **855.5 billion**, of which **558.7 billion (65.3%)** in principal and **296.8 billion (34.7%)** in penalties. The said declassified stock by type of debtor, divided between public entities, private companies and the Local Authorities (LA) is presented in the table below:

Table 26: Distribution of outstanding tax debts by type of debtor in 2021

	Principal	Penalties	Total	Ratio
Public entities	395.2	158.1	553.2	64.7%
Private entities	156.7	132.6	289.3	33.8%
LA	6.8	6.2	13.0	1.5%
Total	558.7	296.8	855.5	100.0%
Ratio	65.3%	34.7%	100.0%	

Source: DGT

The amount of debt owed by public entities amounts to **553.2 billion (395.2 billion** in principal and **158.1 billion** in penalties), i.e. **64.7%** of the total stock. Private companies owe **289.3 billion (156.7 billion** in principal and **132.6 billion** in penalties), i.e. **33.8%** of the total stock. As for the LAs, their debt amounts to **13.0 billion (6.8 billion** in principal and **6.2 billion** in penalties), i.e. **1.5%** of the total stock of outstanding debt.



iv. Distribution of non-oil tax revenue by sector of activity

• Non-oil tax revenue by sector of activity in 2021

The mobilisation of non-oil tax revenue in 2021 was primarily driven by companies in the secondary sector (**53.4%**), followed by the tertiary sector (**45.7%**) and to a lesser extent the primary sector (**0.9%**). The table below presents details of the tax output by sector of activity:

Table 27: Output by sector of activity in 2021 (in billion FCFA)

Sector/Branches of activity	Output 2021	Ratio
Primary	18 823.9	0.9%
Agriculture	5 831.2	0.3%
Forestry and logging	12 992.7	0.7%
Secondary	1 063 126.6	53.4%
Extractive industry	218 883.0	11.0%
<i>Petroleum refining and coking</i>	164 700.8	8.3%
<i>Other extractive industries</i>	54 182.2	2.7%
Food industry	555 718.2	27.9%
<i>Beverage industry</i>	475 476.0	23.9%
<i>Oilseed and animal feed industry</i>	31 690.4	1.6%
<i>Cocoa, coffee, tea and sugar industry</i>	20 362.0	1.0%
<i>Other food products industry</i>	28 189.8	1.4%
Other manufacturing industry	121 908.8	6.1%
Production and distribution of water, sanitation	21 811.7	1.1%
Production and distribution of electricity, gas, etc.	81 102.7	4.1%
Construction and Public Works (BTP)	63 702.2	3.2%
Tertiary	910 537.3	45.7%
Wholesale and retail trade	169 948.6	8.5%
Information and telecommunications	139 419.6	7.0%
Banks and financial institutions	164 205.9	8.2%
Transport and warehousing	100 474.1	5.0%
Accommodation and catering	6 413.1	0.3%
Other services	49 645.2	2.5%
Public administration	280 430.9	14.1%
Total	1 992 487.8	100.0%

Source: DGT

The domination of the secondary sector, with a contribution of **53.4%**, is linked to the high added values generated by industrial enterprises such as agri-food enterprises (**27.9%**, notably by brewery enterprises), mining and quarrying (**11.0%**, by the enterprise in charge of oil refining) and other manufacturing industries (**6.1%**, from enterprises in the cement and wood industries).

The tertiary sector companies that contributed the most to non-oil tax revenue were found in the wholesale and retail trade (**8.5%**, particularly marketers), banks and financial institutions (**8.2%**), information and telecommunications (**7.0%**), and transport and storage (**5.0%**, particularly by the company in charge of oil depots).

- Evolution of non-oil tax revenue by sector of activity between 2020 and 2021

Compared to the year 2020, the revenue of 2021 experienced an overall increase of **7.5%**, following the combined performance of companies in three sectors, namely the primary sector (**+11.5%**), the secondary sector (**+10.3%**) and the tertiary sector (**+4.3%**), as presented in the table below:

Table 28: Evolution of DGT's performance by sector of activity between 2020 and 2021 (in billion FCFA)

Sector/Branches of activity	Output		Variation 2021/2020
	2021	2020	
Primary	18 823.9	16 883.8	+11.5%
Agriculture	5 831.2	5 842.8	-0.2%
Forestry and logging	12 992.7	11 041.0	+17.7%
Secondary	1 063 126.6	963 529.7	+10.3%
Extractive industry	218 883.0	192 287.8	+13.8%
<i>Petroleum refining and coking</i>	<i>164 700.8</i>	<i>139 629.3</i>	<i>+18.0%</i>
<i>Other extractive industries</i>	<i>54 182.2</i>	<i>52 658.6</i>	<i>+2.9%</i>
Food industry	555 718.2	507 636.3	+9.5%
<i>Beverage industry</i>	<i>475 476.0</i>	<i>425 808.1</i>	<i>+11.7%</i>
<i>Oilseed and animal feed industry</i>	<i>31 690.4</i>	<i>29 858.7</i>	<i>+6.1%</i>
<i>Cocoa, coffee, tea and sugar industry</i>	<i>20 362.0</i>	<i>20 687.0</i>	<i>-1.6%</i>
<i>Other food products industry</i>	<i>28 189.8</i>	<i>31 282.4</i>	<i>-9.9%</i>
Other manufacturing industry	121 908.8	115 652.6	+5.4%
Production and distribution of water, sanitation	21 811.7	17 062.5	+27.8%
Production and distribution of electricity, gas, etc.	81 102.7	69 326.1	+17.0%
Construction and Public Works (BTP)	63 702.2	61 564.4	+3.5%
Tertiary	910 537.3	872 979.5	+4.3%
Wholesale and retail trade	169 948.6	161 642.3	+5.1%
Information and telecommunications	139 419.6	137 444.8	+1.4%
Banks and financial institutions	164 205.9	164 754.0	-0.3%
Transport and warehousing	100 474.1	97 837.0	+2.7%
Accommodation and catering	6 413.1	5 978.6	+7.3%
Other services	49 645.2	47 789.3	+3.9%
Public administration	280 430.9	257 533.5	+8.9%
Total	1 992 487.8	1 853 392.9	+7.5%

Source: DGT

The tax revenue of companies in the secondary sector increased by **99.6 billion (+10.3%)**. All the branches of activity in this sector experienced sustained growth; the most significant increases were observed in the «Production and distribution of water, sanitation» (**+27.8%**), «Production and distribution of electricity, gas, etc.» (**+17.0%**), «Extractive industry» (**+13.8%**), and «Food industry» (**+9.5%**).

Regarding the tertiary sector, apart from the «Banks and financial institutions» with an stagnating output (**-0.3%**) between 2020 and 2021, due to the drop in revenue from capital gains (RCM), all the other branches experienced an increased, particularly the «Public administration» (**+8.9%**), «Accommodation and catering» (**+7.3%**), «Wholesale and retail trade» (**+5.1%**) and «Other services» (**+3.9%**).

The output in the primary sector increased by **11.5%**, mainly attributable to taxpayers in the «Forestry and logging» sector (**+11.7%**).

Box 3: Contribution of sectors of activity to the output of the DGT

The nomenclature used for the categorization of companies in Cameroon obeys a standardized a framework set by the international statistical institutions namely AFRISTAT, and then customized internally by the National Institute of Statistics (INS). This nomenclature is used as a basis for the compilation of national accounts and the preparation of statistical indicators of productive sectors. It comprises three (03) levels of groupings:

- the aggregated level with **three (03)** sectors of activity: primary, secondary and tertiary;
- the intermediate level with **twenty (20)** sub-sectors of activity;
- the disaggregated level with **44 branches** of activity.

The breakdown of GDP by sector of activity shows the tertiary sector as having the highest contribution to the creation of national wealth, with **55.4%**, **26.0%** for the secondary sector and **18.6%** for the primary sector.

In 2021, the revenue contributions of the sectors and branches of activity, in order of importance, are as follows:

- **the secondary sector (53.4%)**: mainly carried by the brewery industry (**44.7%** of

the sector's taxes), oil refining and coking (**15.5%** of the sector's payments) and other manufacturing industries (**11.5%** of the sector's payments). Compared to 2020, this contribution is up by **10.3%**;

- **the tertiary sector (45.7%)**: the contribution of this sector increased by **4.3%** compared to 2020. The most important branches of activity are: «Public Institutions» (**30.8%** of payments in the sector), «Wholesale and retail trade» (**8.5%** of payments in the sector), «Banks and financial organisations» (**8.2%** of payments in the sector), and «Information and telecommunications» (**7.0%** of payments in the sector);
- **the primary sector (0.9%)**: compared to the performance of 2020, there is an increase of **11.5%** due to the «Forestry and logging» branch. Non-oil tax revenues collected from companies in the «agriculture» branch are almost constant (**-0.2%**). The economic policy choices made by the authorities aim to promote activities in the primary sector, which contribute **18.6%** of GDP, whereas taxes and levies in this sector account for barely **1%** of non-oil tax revenue.

53.4%

of non-oil tax revenue collected by the DGT in 2021 come from companies in the secondary sector.

v. Distribution of non-oil tax output per segment of taxpayer

• Non-oil tax output per taxpayer type in 2021

The DGT's tax revenue tax collection through the payment of large, medium and small enterprises is presented in the table below:

Table 29: DGT's output by segment of the database in 2021 (in billion of FCFA)

	Taxpayer database		Output	
	2021	Ratio	2021	Ratio
Large taxpayers	549	0.4%	1 449 791.1	72.8%
Medium taxpayers	16 423	11.8%	246 243.5	12.4%
<i>MTO</i>	10 694	7.7%	130 070.9	6.5%
<i>CSI EPA-CTD-OM</i>	359	0.3%	89 882.5	4.5%
<i>CSIPLI</i>	5 370	3.9%	26 290.1	1.3%
Small taxpayers (DTO)	121 653	87.8%	31 893.8	1.6%
Others			264 559.5	13.3%
<i>Revenue services & SRU</i>			67 787.0	3.4%
<i>Withholdings PG/PS/tax balances</i>			196 772.5	9.9%
Total DGT	138 625	100.0%	1 992 487.8	100.0%

Source: DGT

• Trend in non-oil tax revenue of the DGT by type of taxpayer between 2020 and 2021

The following table presents the evolution of the output and the DGT taxpayer index between 2020 and 2021:

Table 30: Evolution of the DGT's output by segment of the taxpayer index between 2020 and 2021 (in billion of FCFA)

	Taxpayer database			Output		Variation
	2021	2020	Variation	2021	2020	
Large taxpayers	549	502	+9.4%	1 449 791.1	1 365 676.4	+6.2%
Medium taxpayers	16 423	14 799	+11.0%	246 243.5	209 022.7	+17.8%
<i>MTO</i>	10 694	10 183	+5.0%	130 070.9	113 505.9	+14.6%
<i>CSI EPA-CTD-OM</i>	359	274	+31.0%	89 882.5	73 185.7	+22.8%
<i>CSIPLI</i>	5 370	4 342	+23.7%	26 290.1	22 331.0	+17.7%
Small taxpayers (DTO)	121 653	122 888	-1.0%	31 893.8	31 923.7	-0.1%
Others				264 559.5	246 770.1	+7.2%
<i>Revenue services & SRU</i>				67 787.0	62 422.2	+8.6%
<i>Withholdings PG/PS/tax balances</i>				196 772.5	184 347.9	+6.7%
Total DGT	138 625	138 189	+0.3%	1 992 487.8	1 853 392.9	+7.5%

Source: DGT

Between 2020 and 2021, the active taxpayers index of the DGT noticed a slight increase (**+0.3%**). The portfolio of large and medium-sized active taxpayers increased significantly, i.e. **+47** large companies and **+1,624** medium-sized companies. On the other hand, the number of small taxpayers dropped by **1,235 companies**, mainly due to the departure of taxpayers from the DTO Mezam in the North West (**-6,107 taxpayers**) and the DTO Yaoundé 1 (**-2,013 taxpayers**). It should be noted that the generalisation of e-filing to the DTOs has enabled the index of small taxpayers to be sanitized.

With regard to the evolution of the output by segment, taxes paid by large companies increased by **84.1 billion (+6.2%)** as well as the contribution of medium-sized companies which increased by **32.2 billion (+17.8%)**. The output of small taxpayers remained almost constant.

The evolution of the taxpayer index according to the tax regimes portrays a significant progresses of the taxpayers of the actual earnings regimes (**+13%**), of the Simplified (**+15.6%**) and of the taxpayers classified under the heading «outside the personal tax regime» (**+62.9%**). The table below provides details.

Table 31: Evolution of the file of active taxpayers by tax regime between 2020 and 2021

Taxpayer database	Tax regime					TOTAL
	IL	REEL	RSI	HRI PM	HRI PP	
Year 2021	61 831	12 985	61 034	1 747	1 028	138 625
Year 2020	70 392	11 495	52 801	2 870	631	138 189
Variation 2021/2020	-12.2%	+13.0%	+15.6%	-39.1%	+62.9%	+0.3%

Source: DGT

IL: Discharge Tax, RSI: Simplified Tax Regime, HRI: Non-Taxable Status, PP: Natural Person, PM: Legal Entity

Box 4: Taxpayer segmentation at the DGT

The various reforms undertaken by the DGT to reorganise services and secure revenue have made it possible to broaden the tax base and increase the output of the taxes collected.

Large companies, which are only included in the LTO taxpayer index (**0.4%** representation of the total number of taxpayers of the DGT), contribute **72.8%** of the revenue mobilised by the DGT in 2021.

Medium-sized businesses are taxpayers of the Medium-sized Business Tax Centres (MTO), the Specialised Tax Centre for Public Establishments (CSI EPA-CTDOM) and the Specialised Tax Centres for the Liberal Professions (CSIPLI). With a total of **16,423 taxpayers**, i.e. **11.8%** of the DGT index, medium-sized businesses mobilised **246.2 billion**, i.e. **12.4%** of the DGT's output in 2021.

Small businesses include the **121,653 taxpayers** under the authority of the Divisional Tax Offices (DTO), or **87.8%** of the taxpayers in the DGT's index, but contribute **1.6%** of the overall output in 2021.

Under the «Other» column, we list all payments made in:

- i. Special Registration Units (CSE);
- ii. Tax collection offices for the payment of stamps;
- iii. the paymaster general for withholding taxes on the execution of the State budget;
- iv. the Directorate of Personnel Expenditure and Pensions (DDPP) for deductions from the salaries of State personnel.

Payments in this column represent **13.3%** of the DGT's output in 2021.



vi. Distribution of DGT's non-oil tax revenues by contributors

• Non-oil tax revenue by contributors in 2021

In 2021, citizens represent the largest contributors to the revenue mobilised by the DGT, accounting for **63.5%** of non-oil tax revenue. Citizens are followed by businesses (**24.3%**), the state (**8.1%**) and non-resident entities (**4.7%**) as shown in the table below ::

Table 32: DGT's output by contributors in 2021 (in billion of FCFA)

	Output 2021	Ratio
Citizens (Consumers)	1 264.5	63.5%
Enterprises	484.4	24.3%
Non-residents (STR)	82.5	4.1%
State (Public order)	161.1	8.1%
Total	1 992.5	100.0%

Source: DGT

• Evolution of the DGT's non-oil tax revenue by payment method between 2020 and 2021

The evolution of non-oil tax revenue, by type of contributor, from 2020 to 2021 is presented in the table below:

Table 33: Evolution of DGT output by contributor type between 2020 and 2021 (in billion of FCFA)

	Output 2021	Output 2020	Variation 2021/2020
Citizens (Consumers)	1 264.5	1 181.2	+7.1%
Enterprises	484.4	437.1	+10.8%
Non-residents (STR)	82.5	85.5	-3.5%
State (Public order)	161.1	149.6	+7.6%
Total	1 992.5	1 853.4	7.5%

Source: DGT

From 2020 to 2021, the evolution of taxes paid by the major contributors is not uniform. With regard to households (resident citizens), the amounts paid increase by **7.1%**, in particular due to the increase in excise duty outputs in the brewery sector (**+10.2%**) and VAT (**+6.7%**). Taxes paid by companies increased by **10.8%**, mainly due to the good performance of the non-oil CIT (**+11.9%**). With regards to the State, the VAT deducted at source on public procurements increased by **7.6%**.

The drop in the output of taxes paid by non-residents is mainly explained by the underperformance of the Special Tax on Revenue (STR) paid abroad (**-3.5%**).

vii. Structure of the DGT's non-oil tax revenue

• Structure of the DGTs non-oil tax revenue in 2021

In 2021, in order of importance, taxes on goods and services (GST) account for 54.1% of non-oil tax revenue mobilised by the Directorate General of Taxes (DGT), followed by the tax on company profits (19.8%) and the tax on personal income (PIT) (14.2%). Other taxes represent 11.9%, notably the STR, and registration and stamp duties, as presented in the table below:

Table 34 : Structure of the DGT's output by contributor type in 2021 (in billion of FCFA)

	Output 2021	Ratio
Personal Income Tax (PIT)	283 349.8	14.2%
of which:		
- Payroll taxes (PIT/TS)	175 331.9	8.8%
- Dividend tax (RCM)	45 548.6	2.3%
- Industrial and commercial profits (BIC)	29 538.1	1.5%
- Tax on real estate income (RF)	11 472.0	0.6%
- Non-commercial profits (BNC)	18 075.6	0.9%
Taxes on Goods and Services (GST)	1 077 222.1	54.1%
of which:		
- V.A.T	659 021.3	33.1%
- Excise duties	270 398.6	13.6%
- Special tax on petroleum products (STPP)	146 842.1	7.4%
Corporate Income Tax (CIT)	394 298.5	19.8%
Other Taxes (OT)	237 617.4	11.9%
of which:		
- Special Tax on Revenue (STR)	82 502.2	4.1%
- Registration Duty	70 535.5	3.5%
- Stamp duty	49 113.5	2.5%
- Forestry taxes	17 168.8	0.9%
Total	1 992 487.8	100.0%

Source: DGT



- Evolution of the structure of the DGT's non-oil tax revenue between 2020 and 2021

The evolution of the structure of the DGT's non-oil tax revenue between 2020 and 2021 is presented in the table below:

Table 35: Evolution of DGT output by contributor between 2020 and 2021 (in billion FCFA)

	Output 2021	Output 2020	Evolution 2021/2020
Personal Income Tax (PIT)	283 349.8	275 476.1	+2.9%
of which:			
- Payroll taxes (PIT/TS)	175 331.9	164 276.8	+6.7%
- Dividend tax (RCM)	45 548.6	54 227.0	-16.0%
- Industrial and commercial profits (BIC)	29 538.1	28 515.2	+3.6%
- Tax on real estate income (RF)	11 472.0	12 864.9	-10.8%
- Non-commercial profits (BNC)	18 075.6	13 387.2	35.0%
Taxes on Goods and Services (GST)	1 077 222.1	998 578.0	+7.9%
of which:			
- V.A.T	659 021.3	616 409.1	+6.9%
- Excise duties	270 398.6	245 480.6	+10.2%
- Special tax on petroleum products (STPP)	146 842.1	135 651.7	+8.2%
Corporate Income Tax (CIT)	394 298.5	352 315.4	+11.9%
Other Taxes (OT)	237 617.4	227 023.4	+4.7%
of which:			
- Special Tax on Revenue (STR)	82 502.2	85 517.3	-3.5%
- Registration Duty	70 535.5	62 982.9	+12.0%
- Stamp duty	49 113.5	39 157.4	+25.4%
- Forestry taxes	17 168.8	17 349.2	-1.0%
Total	1 992 487.8	1 853 392.9	+7.5%

Source: DGT



Between 2020 and 2021, the various major components of non-oil tax revenue increased. Corporate Income Tax (CIT) shows the most significant increase (+11.9%) followed by taxes on goods and services (+7.9%). The increase in personal income tax remains slow (+2.9%).

viii. Distribution of non-oil tax revenue by type of tax

The contribution of the taxes and duties in the Cameroonian tax system do not contribute equally to the overall output of the tax administration.

• Non-oil tax revenue by type of tax in 2021

The following table presents the output of major taxes and their contribution to the DGT's overall performance:

Table 36: DGT's revenue from key taxes in 2021 (in billion of FCFA)

Taxes and duties	Output 2021	Ratio
Value Added Tax (VAT)	659.0	33.1%
Non-oil Corporate Income Tax (CIT)	394.3	19.8%
Excise Duties (ED)	270.4	13.6%
Payroll Taxes (PIT/PT)	175.3	8.8%
Special Tax on Petroleum Products (STPP)	146.8	7.4%
Registration and Stamp Duties (RST)	119.6	6.0%
Special Tax on Revenue (STR)	82.5	4.1%
Others	81.8	4.1%
Dividend Tax (DT)	45.5	2.3%
Forestry Revenue (FR)	17.2	0.9%
Total	1 992.5	100.0%

Sources: MINFI/DGT & Treasury accounts

Box 5: Major taxes of the cameroonian tax system in 2021

Like any modern tax system, that of Cameroon is based on a structure of compulsory levies on income, consumption and capital.

Income taxes are made up of:

- (1) **Personal Income Tax (PIT)** based on salaries and wages (according to a progressive scale ranging from 10% to 35%), income from movable capital (at a rate of 15%), industrial, artisanal, commercial and agricultural profits and land income (at a rate of 30%);
- (2) **Corporate Income Tax (CIT)** levied on the profits of companies operating in Cameroon at a rate of 30%;
- (3) the **Special Tax on Revenue** at a rate of 15% applicable to income paid abroad in return for services rendered to Cameroonian entities.

Taxes on consumption are essentially made up of:

- (1) Value Added Tax (VAT) at a rate of 17.5%;
- (2) excise duties on beverages, tobacco and certain

luxury products (jewellery, luxury vehicles, etc.) at a rate of 25%. A specific excise duty determined on the basis of quantities is also applicable to alcoholic beverages;

- (3) the **Special Tax on Petroleum Products (STPP)** at the rate of FCFA 80 per litre for super and FCFA 60 per litre for diesel.

Capital taxes: these consist of registration fees on deeds and transfers of ownership or use (at proportional, progressive, degressive and fixed rates).

The various taxes and duties have a variable contribution to the overall performance of the DGT. Taxes on consumption (VAT, excise duties, STPP) constitute, by their contribution to the output, the most important item in the Cameroonian tax system. They are followed respectively by income tax on legal entities (CIT) and personal income tax (PIT), thanks in particular to the Payroll taxes (PIT/PT).

For fiscal year 2021, VAT, non-oil corporate income tax, excise duties, PIT and STPP contributed **82.6%** to the overall performance of the DGT.

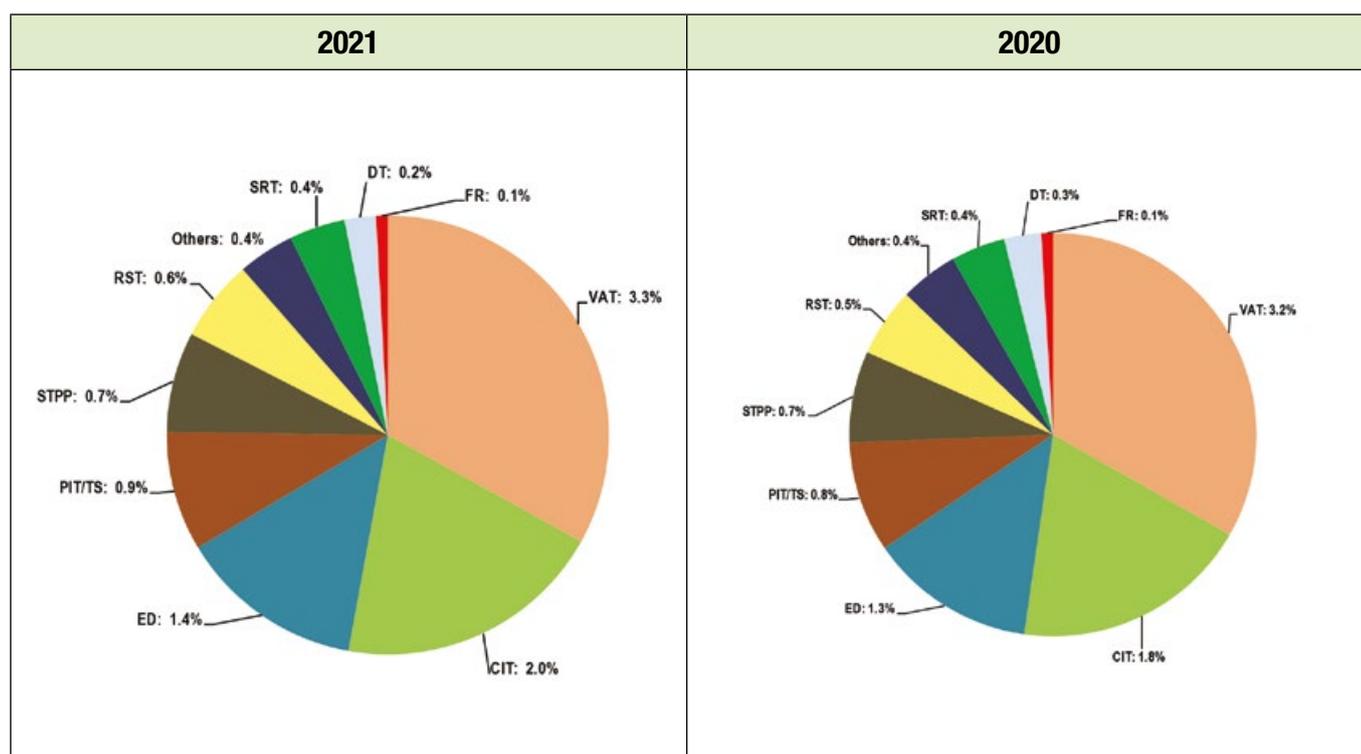
- Evolution of DGT non-oil tax revenues by tax type between 2020 and 2021

The table below shows the evolution of non-oil tax revenue by type of tax between 2020 and 2021.

Table 37: Evolution of major taxes between 2020 and 2021 (in billion of FCFA)

Taxes and duties	Output		Evolution
	2021	2020	
Value Added Tax (VAT)	659.0	616.4	+6.9%
Non-oil Corporate Income Tax (CIT)	394.3	352.3	+11.9%
Excise Duties (ED)	270.4	245.5	+10.2%
Payroll Taxes (PIT/PT)	175.3	164.3	+6.7%
Special Tax on Petroleum Products (STPP)	146.8	135.7	+8.2%
Registration and Stamp Duties (RST)	119.6	102.1	+17.1%
Special Tax on Revenue (STR)	82.5	85.5	-3.5%
Others	81.8	80.0	+2.2%
Dividend Tax (DT)	45.5	54.2	-16.0%
Forestry Revenue (FR)	17.2	17.3	-1.0%
Total	1 992.5	1 853.4	+7.5%

Sources: MINFI/DGT & Treasury accounts



Sources : MINFI/DGT & Balance of the treasury accounts (BCT)

The DGT's good performance in 2021 is as a result of the increase in corporate income tax (CIT) and taxes on goods and services (GST):

The following taxes and levies show a significant increase in 2021:

- **Non-oil Corporate Income Tax (CIT):** the output rose significantly by **41.7 billion (+11.8%)**. It was **352.3 billion** in 2020 and increased to **394.0 billion** in 2021, due in particular to the increase in the output of annual balances paid in March and April (**+13.9 billion**);
- **Excise duties:** the output, which was **245.5 billion** in 2020, rose to **270.4 billion** in 2021, an increase of **24.9 billion (+10.2%)**. This increase is mainly due to the increase in the said duties in the brewing sector, resulting on the one hand from the growth in activity and on the other hand from the tax audits carried out in 2020, leading to an improvement in spontaneous payments in 2021;
- **Stamp duties:** revenue from stamp duties, which was **39.2 billion** in 2020, rose to **49.2 billion** in 2021, an increase of **10.0 billion (+25.6%)**. This increase is attributable to the increase in the output of the «Dimensional and graduated stamp» (**+4.7 billion**, following full dematerialisation) and the «Airport stamp» (**+3.6 billion**, due to the reopening of borders after the 2020 close down measures). However, we note a drop in revenue from «Stamps on passports and laissez-passer» (**-2 billion**) due to the new modalities of passport issuance that came into force in July 2021, which led to a drop in output of **3.8 billion** in the second half of 2021;
- **STPP:** revenue rose from **135.7 billion** in 2020 to **146.8 billion** in 2021, i.e. an increase of **11.2 billion (8.2%)**, due in particular to the new measure in the 2021 Finance Law on new collection methods.

The following taxes and duties show significant decline:

- **Dividend Tax:** the fall of **8.6 billion (-15.8%)** is the consequence of the COBAC's ban on the distribution of dividends in the banking sector;
- **STR:** the decrease of **3.1 billion (-3.6%)** is due to the drop in activity in the upstream oil sector as a result of the persistent Covid-19 pandemic.

d.2. Oil tax revenues

Apart from non-oil tax revenues, the DGT mobilised for the State budget oil tax revenues consisting exclusively of tax on oil companies.

i. Revenues from the tax on oil companies in 2021

In 2021, the DGT collected **73.2 billion** in oil company tax for a target of **56.7 billion**, i.e. a realisation rate of **129.0%**. This performance is due to a higher level of activity in the oil sector than initially projected.

ii. Evolution of the output of the oil company tax between

From 2020 to 2021, tax collected from oil CIT significantly dropped from **106.8 billion** to **73.2 billion**, representing a decrease of **33.6 billion (-31.5%)**. This anticipated drop was due to the continuous impact of the Covid-19 pandemic on the upstream oil sector.

2) The DGT, the main resource mobilisation post for the councils and PEs in 2021

In addition to collecting revenue for the state budget, the DGT mobilised **239.3 billion** in earmarked revenue, divided into revenue allocated to the LA (**203.1 billion**) and the EP (**36.2 billion**).

a) Revenue earmarked for LA in 2021

i. Revenues mobilised by the DGT earmarked for LA in 2021

In 2021, the DGT mobilised **203.1 billion** for the benefit of the LA. The table below presents the details:

Table 38: Collection of revenue allocated to the LA in 2021 (million of FCFA)

	Output 2021	Ratio
Additional Council Tax (ACT)	165 212.2	81.3%
Business & Liquor Licence	10 792.6	5.3%
Windscreen licences	7 000.0	3.4%
Forestry annual levies	5 912.6	2.9%
Stamp duties on transfer of immovable property	4 444.4	2.2%
Local Development Tax	3 813.6	1.9%
Leases	3 124.5	1.5%
Property tax	1 892.8	0.9%
Discharge tax	633.1	0.3%
Other revenues	269.9	0.1%
Total LA revenue	203 095.9	100.0%

Sources: MINFI/DGT & Treasury accounts

Box 6: Revenue allocated to the Local Authorities (LA)

The Cameroonian tax system makes a distinction between allocated taxation revenue and taxation of local Governments. Allocated taxation is made up of taxes collected by the state's tax services and transferred to local Governments (generally shared taxes or revenue shares). Before the entry into force of Law N°2009/019 of 15 December 2009 on local taxation, the revenues allocated to the LA were made up of the business license, business liquor, discharge tax and additional council tax. The first three levies are council taxes issued and collected by the tax administration exclusively on behalf of the LA, while additional council tax are a share (10%) added to certain State taxes (personal income tax, corporate tax and value added tax). This share, which is issued and collected at the same time and in the same way as the State's budgetary share, is paid back to LA.

The Local Taxation Act extended the scope of tax revenues allocated to the LA. Since 2010, in addition to the four levies mentioned above, the following tax revenues have been allocated to LA: the tax on land ownership, the tax on games of chance and entertainment, the real estate transfer tax, the motor vehicle stamp duty (vignette),

the annual forestry tax, the stamp duty on advertising, the local development tax and the lease tax. To this list must be added the stamp duty on Carte Grise, the airport stamp duty, the axle tax and certain royalties on the exploitation of natural resources, which are intended for the regions (the decentralised territorial authority known as the «Region» is not yet effective).

Some of these revenues are allocated in full to the LA (business licence, business liquor, discharge tax, additional council tax, Property tax, local development tax, etc.), while others are partially allocated (40% of the annual forestry fee is allocated to the councils).

Another level of distribution exists between the beneficiary LA of the assigned revenues. This distribution includes a basic deduction (percentage of revenue destined directly for the council of the taxpayer's residence, location or headquarters) and a centralisation system with an organisation: the Special Council Support Fund for Mutual Assistance (FEICOM), with a view to distribution to all councils. This distribution is made in proportion to the population of each commune.

ii. Evolution of revenue earmarked for LA between 2020 and 2021

Table 39: Evolution of revenue allocated to LA between 2020 and 2021

	Output 2021		Variation (2021/2020)
	2021	2020	
Additional Council Tax	165 212.2	128 000.5	+29.1%
Business & Liquor Licence	10 792.6	9 566.2	+12.8%
Windscreen licences	7 000.0	7 000.0	0.0%
Forestry annual levies	5 912.6	5 719.5	+3.4%
Stamp duties on transfer of immovable property	4 444.4	5 097.8	-12.8%
Local Development Tax	3 813.6	3 601.5	+5.9%
Leases	3 124.5	2 516.8	+24.1%
Property tax	1 892.8	2 043.6	-7.4%
Discharge tax	633.1	568.3	+11.4%
Other revenues	269.9	264.8	+1.9%
Total LA revenue	203 095.9	164 378.9	+23.6%

Sources: MINFI/DGT & Treasury accounts

The Revenue for LA increased in 2021. They went from **164.4 billion** in 2020 to **203.1 billion** in 2021, an increase of **38.7 billion (+23.6%)**. This increase is due to the performance of :

- The Additional Council Tax (ACT), with an output, which was at **128.0 billion** in 2020, it rose to **165.2 billion** in 2021, i.e. an increase of **37.2 billion (+29.1%)**. This performance is the result of the increase in major taxes and the methods of accounting for ACT linked to taxes withheld at source during the execution of the public procurement;
- Business licence and business liquor revenue increased by **1.2 billion**;
- Taxes on leases and the discharge tax.

However, real estate transfer duties (-**12.8%**) and the Property Tax (-**7.4%**) experienced significant decreases.

b) Revenue earmarked for Public Entities (PE)

i. Revenues mobilised by the DGT earmarked for PE in 2021

Revenues allocated to PE increase (+**13.4%**) from **31.9 billion** in 2020 to **36.2 billion** in 2021, i.e. a positive evolution of **4.3 billion** which is explained by the significant increase in revenues allocated to CRTV, as illustrated in the table below:

Table 40: Revenue allocated to PE during the 2020 and 2021 fiscal years (in billion FCFA)

	Output		Variation (2021/2020)
	2021	2020	
CRTV (RAV)	20 858.3	16 660.4	+25.2%
CCF	10 000.0	10 000.0	0.0%
FNE	5 000.0	5 000.0	0.0%
CCIMA & CAPEF	337.4	259.6	+30.0%
Total PE revenue	36 195.7	31 920.0	+13.4%

Source: DGT

Box 7: Revenue allocated for Public Entities (PE)

Revenue collected by the DGT on behalf of PEs is allocated to them to cover specific expenses defined by the laws and regulations in force. The allocation of revenues to PEs is part of public policies aimed at encouraging and supporting the development of certain activities of general or proven socio-economic interest. This is the case in particular for:

- The contribution of the National Employment Fund (FNE) which is a tax mobilised by the DGT for the benefit of the FNE to finance its mission of promoting employment in Cameroon. It is borne by employers in the public (excluding the State), semi-public and private sectors. The levy rate is **1%** of the amount of salaries, allowances and emoluments paid by employers. The finance law for the 2018 financial year caps the contribution of the FNE at **FCFA 5 billion**;
- The contribution of Crédit Foncier du Cameroun (CFC), is intended to finance the promotion of housing in Cameroon. It is borne by employees and employers in the public, parapublic and private sectors. For employees, **1%** of the amount received is deducted. And for employers (excluding the State), the levy is **1.5%** of the amount of salaries, allowances and emoluments paid. The

2018 finance law caps the CFC's contribution at **FCFA 10 billion**;

- The Audio-visual Fee (RAV) is mobilised by the DGT on behalf of the CRTV. It is intended for the development of the activity of this organisation. It is borne partly by employees of the public, parapublic and private sectors and partly by companies subject to the business licence. The basis of calculation for employees is the gross amount of wages received from **FCFA 50,001**. For employers, it is due by those liable to pay the business tax and is equal to one time the business tax;
- The contribution of the Consular Chambers for the Chamber of Commerce, Industry, Mines and Handicrafts;
- The contribution of the Consular Chambers for the Chamber of Commerce, Industry, Mines and Handicrafts (CCIMA) and the Chamber of Agriculture, Fisheries, Livestock and Forestry (CAPEF) is based on the contribution of patents and the contribution of licences. The product of this contribution paid by commercial or industrial companies goes to the CCIMA, while that collected from forestry and agricultural companies is remitted to the CAPEF.



B

EVOLUTION OF TAX REVENUE COLLECTED BY THE DGT

1) Evolution over time in absolute values



a) Evolution of non-oil tax revenues

a.1. Overall tax output

The evolution of non-oil tax revenue mobilised by the DGT over the period 2010-2021 is presented in the table below:

Table 41: Evolution of Cameroon's non-oil tax revenues from 2010 to 2021 (in billion of FCFA)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Targets	908.0	1 002.0	1 076.0	1 214.0	1 240.0	1 403.8	1 565.0	1 719.0	1 912.0	2 074.0	1 724.8	1 938.4
Output	855.7	988.0	1 053.0	1 230.4	1 387.1	1 588.9	1 615.6	1 790.4	1 940.9	1 947.7	1 853.4	1 992.5
Rate of yields	94.2%	98.6%	97.9%	101.4%	111.9%	113.2%	103.2%	104.2%	101.5%	93.9%	107.5%	102.8%
Progression rate of realisations	+3.5%	+15.5%	+6.6%	+16.8%	+12.7%	+14.5%	+1.7%	+10.4%	+8.4%	+0.4%	-4.8%	+7.5%

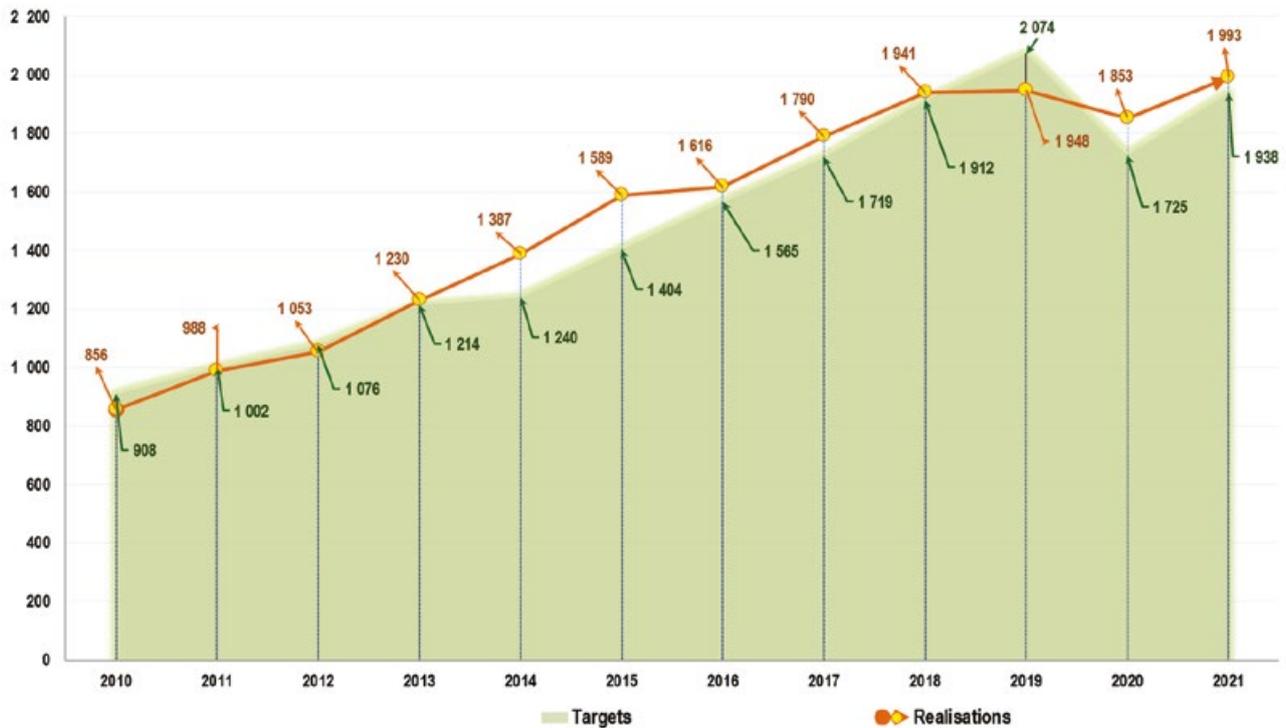
Source: MINFI/DGT & Treasury accounts

Non-oil tax revenue collected by the DGT, which was **855.7 billion** in 2010, rose to **1 992.5 billion** in 2021, representing an average annual growth rate of **8.2%**. Over the period from 2010 to 2021, an analysis of the evolution of non-oil tax revenue reveals the following three phases:

- The first phase from 2010 to 2018: this is characterised by a rapid and sustained increase in mobilised revenue with an average annual growth rate of **10.9%**, while the average growth rate of nominal GDP was **6.3%** over the period. This performance is mainly due to the tax administration and fiscal policy reforms implemented;
- The second phase from 2019 to 2020: the dip in the revenue mobilisation curve in 2019 can be explained in particular by the cessation of production at SONARA following a fire, which led to a significant drop in revenue for the DGT of almost **100 billion**. From 2019 to 2020, non-oil tax revenue fell by **4.8%**, mainly due to the Covid-19 pandemic;
- The start of the third phase in 2021, during which **1 992.5 billion** are mobilised, an increase of **131.9 billion (+7.5%)** was as compared with 2020.

In 2010, the average monthly non-oil tax revenue mobilised by the DGT was **71.3 billion**, rising to **166.0 billion** in 2021, representing a monthly revenue growth rate of **94.7 billion (+132.9%)**. The figure below shows the trend in non-oil tax revenue from 2010 to 2021:

Figure 5 : Evolution of Cameroon's non-oil tax revenues



The comparison between the rate of increase in non-oil tax revenue and the growth rates of economic activity is presented in the following graph:

Figure 6: Evolution of real GDP, nominal GDP and non-oil tax revenue growth rates from 2010 to 2021

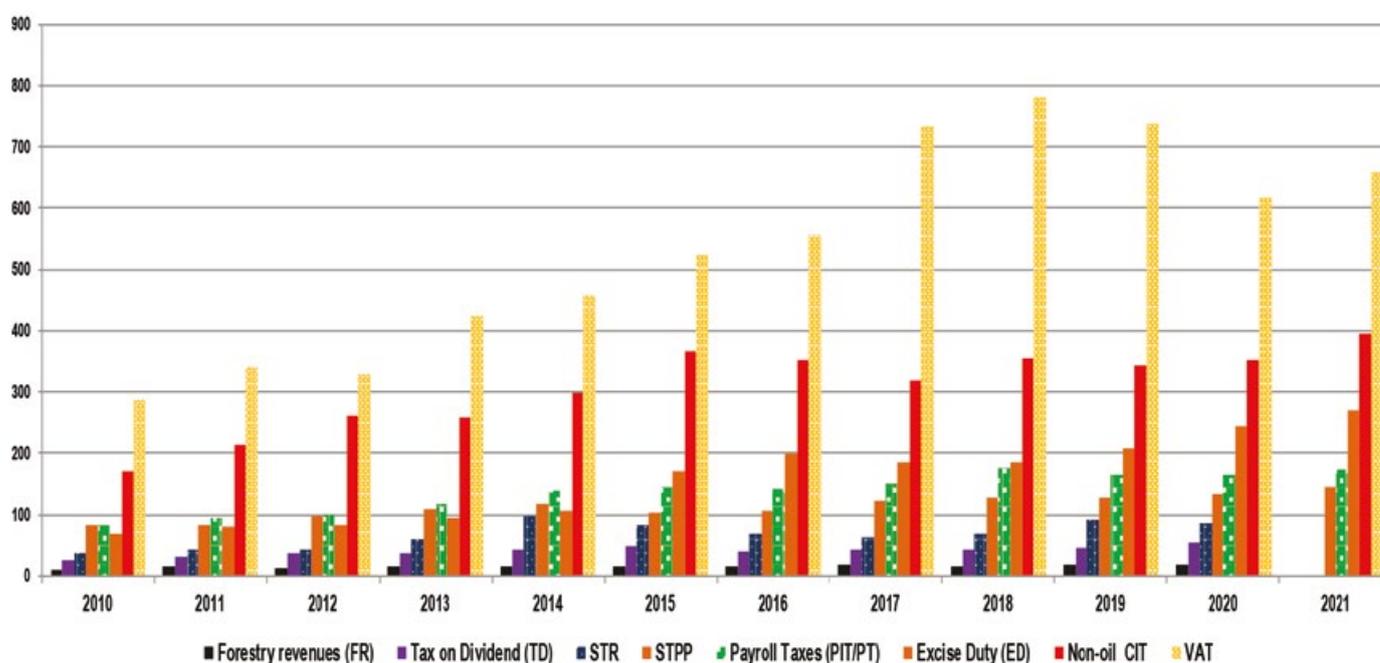


a.2. Evolution of the main taxes

The evolution of the main taxes is presented in the table below:

Table 42: Evolution of major taxes from 2010 to 2021 (in billion FCFA)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
VAT	286.8	340.0	329.4	423.2	457.9	523.7	557.0	731.8	780.4	739.6	616.4	659.0
Non-oil CIT	172.4	214.7	261.3	258.4	298.0	367.1	351.8	319.5	354.9	344.4	352.3	394.3
Excise Duty (ED)	68.5	81.2	84.1	95.8	106.4	170.2	198.3	186.6	185.6	207.3	245.5	270.4
Payroll Taxes (PIT/PT)	84.3	94.3	98.9	118.0	141.2	144.8	143.6	150.4	177.5	164.4	164.3	175.3
STPP	83.0	84.6	97.4	109.6	118.5	103.8	105.6	122.0	127.5	128.7	135.7	146.8
STR	38.9	42.6	43.6	61.6	97.6	84.4	68.7	62.4	67.7	91.9	85.5	82.5
Tax on Dividend (TD)	27.7	32.5	38.3	39.0	44.5	48.8	39.3	42.2	42.7	47.6	54.2	45.5
Forestry revenues (FR)	9.0	14.1	13.5	15.1	14.0	15.4	15.7	16.7	16.5	18.5	17.3	17.2



The modernisation reforms of the tax administration are also noticeable in the development of major taxes. Over the period from 2010 to 2021, the following observations can be made:

- VAT has been multiplied by **2.3**, from **286.8 billion** in 2010 to **659.0 billion** in 2021;
- Non-oil CIT has doubled;
- Excise duties have increased fourfold (04);
- STPP doubled;
- The Payroll taxes (PIT/PT) has doubled.

The table below shows the evolution of all taxes mobilised by the DGT since 2016:

Table 43: Evolution of Cameroon's non-oil tax revenue since 2016 (in billion FCFA)

NOMENCLATURE	2016	2017	2018	2019	2020	2021
1- PERSONAL INCOME TAX (PIT)	218 838.7	242 717.2	289 890.4	276 419.9	275 476.1	283 349.8
- Payroll taxes (PIT/PT)	143 568.6	150 440.2	177 506.4	164 422.1	164 276.8	175 331.9
- Dividend tax (RCM)	39 349.9	42 154.7	42 715.2	47 612.4	54 227.0	45 548.6
- Industrial and commercial income (BIC)	15 673.3	25 922.6	29 235.9	35 579.7	28 515.2	29 538.1
- Tax on real estate income (RF)	12 715.0	13 058.1	14 398.5	12 442.1	12 864.9	11 472.0
- Non-commercial income (BNC)	5 685.9	9 567.2	24 611.3	14 865.2	13 387.2	18 075.6
- Capital gains on transfer of property	1 803.0	1 440.0	1 222.5	1 079.2	1 871.4	2 537.5
- Income from artisanal activities	9.0	85.3	37.2	165.8	310.5	825.0
- Income from agricultural activities	31.2	30.0	161.0	253.2	22.5	20.7
- Taxes on other capital gains	2.8	19.1	2.4	0.3	0.5	0.3
2- SPECIAL TAX REVENUE (STR)	68 690.6	62 385.3	67 692.6	91 879.4	85 517.3	82 502.2
3- TAX ON ACTIVITIES	861 475.6	1 041 959.8	1 093 924.0	1 077 373.2	998 578.0	1 077 222.1
- VAT	557 028.3	731 832.8	780 402.0	739 619.1	616 409.1	659 021.3
- Excise Duty	198 331.7	186 552.7	185 597.6	207 349.9	245 480.6	270 398.6
- Special tax on petroleum products (STPP)	105 579.1	122 035.5	127 455.8	128 708.5	135 651.7	146 842.1
- Stamps on tobacco	536.6	547.9	468.6	728.2	585.4	812.2
- Tourist tax		990.9	1 004.9	967.5	451.2	147.9
4- CORPORATE INCOME TAX (CIT)	351 816.2	319 500.1	354 933.8	344 409.6	352 315.4	394 298.5
- Corporate Income Tax	351 816.2	319 500.1	354 933.8	344 409.6	352 315.4	394 298.5
5 - REGISTRATION DUTIES	49 976.1	52 595.5	53 704.6	61 365.5	62 982.9	70 535.5
- Market fees	28 868.4	28 414.5	36 980.8	43 498.3	46 371.9	50 881.5
- Registration fees inter vivos transfers	376.1	576.5	75.6	301.4	46.4	129.0
- Stamp duties on transfers by death.	159.5	59.7	85.6	37.5	180.4	122.3
- Other transfers	20 572.1	23 544.8	16 562.5	17 528.3	16 384.1	19 402.6
6 - REGISTRATION TAXES	2 204.8	2 450.9	2 710.8	2 859.3	2 417.7	121.3
- Axle tax	2 204.7	2 450.8	2 710.1	2 859.1	2 417.7	121.3
- Tax on insurance contracts	0.2	0.1	0.7	0.2	0.0	0.0
7 - STAMP DUTY	44 014.6	47 413.9	53 647.4	56 721.3	39 157.4	49 113.5
- Passports and visas	19 881.3	20 783.6	21 113.0	23 145.3	13 618.6	13 657.8
- Fiscal and graduated stamp	15 012.1	18 056.8	17 695.5	17 371.5	16 471.9	21 405.2
- Airport tax	5 034.5	5 205.4	11 219.8	13 200.2	5 400.6	9 004.4
- Transport contracts	1 641.0	888.8	1 356.4	1 282.3	1 354.4	1 630.9
- Registration minutes and patents	258.2	554.6	451.3	349.1	558.6	1 511.1
- Advertisement	1 297.2	821.1	1 028.2	666.1	986.6	921.1
- National Identity cards and residence permits	880.1	1 103.5	776.2	706.1	735.2	888.8
- Debit	10.3	0.0	7.1	0.6	31.5	94.1
8 - FORESTRY TAXES	15 697.7	16 677.1	16 528.3	18 549.3	17 349.2	17 168.8
- Annual forestry Levy	9 245.1	9 373.3	9 171.4	8 518.7	7 220.3	7 166.9
- Felling tax	6 397.0	7 214.7	7 164.0	9 874.1	9 950.7	9 817.9
- Other forestry taxes	55.5	89.1	192.9	156.5	178.2	184.0
9 - MINING TAXES	2 196.8	2 278.5	1 955.1	1 496.7	1 751.3	1 953.2
- Annual Surface Royalties (RSA)	1 352.3	1 667.9	1 364.4	957.7	1 095.3	1 315.9
- Quarry extraction Tax	475.7	427.7	351.0	340.0	350.0	358.3
- Fixed levies for the attributions, renewal and transfers	228.0	99.2	117.1	97.1	123.2	101.7
- Ad valorem levies on mining revenue	80.9	65.7	90.8	70.1	154.3	95.4
- Royalties for water production	25.8	1.3	7.6	5.0	1.0	14.1
- Duties for the collection of precious substance	2.0	7.7	3.3	6.3	4.1	7.7
- Other levies and fees for the mining sector	32.3	9.0	20.9	20.5	23.3	60.1
10 - ANIMAL HUSBANDRY AND FISHERY TAXES	335.2	497.8	333.4	516.1	263.2	333.5
- Veterinary inspection taxes	237.2	292.1	212.0	347.4	163.4	267.2
- Animal production fee	54.7	49.2	54.3	65.6	53.8	32.5
- Fishery products inspection tax	22.6	142.4	50.1	88.3	34.6	23.9
- Fishery production fee	17.4	9.9	13.7	14.1	10.3	9.0
- Fishery products vehicle transportation fee	3.3	4.1	3.3	0.7	1.0	0.9
11- OTHER REVENUES	102.2	1 849.1	5 605.7	16 148.0	17 584.3	15 889.4
TOTAL REVENUE	1 615 443.2	1 790 420.0	1 940 926.0	1 947 738.4	1 853 392.9	1 992 487.8

Sources: MINFI/DGT & Treasury accounts (BCT)

b) Evolution of oil tax revenue

The following table presents oil tax revenues, in this case the Tax on Oil Companies, over the last eleven (11) years.

Table 44: Evolution of the oil tax from 2010 to 2021 (in billion FCFA)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Target	90.0	90.0	110.0	172.0	172.0	201.3	150.0	124.0	91.5	94.0	100.0	56.7
Realisations	84.0	96.7	160.6	169.7	161.7	171.9	109.0	66.5	87.0	113.0	106.8	73.2
Realisation rate	93.3%	107.4%	146.0%	98.7%	94.0%	85.4%	72.7%	53.6%	95.1%	120.2%	106.8%	129.1%

Source: MINFI/DGT & Treasury accounts (BCT)

Figure 7 : Evolution of oil revenue collection from 2007 to 2021

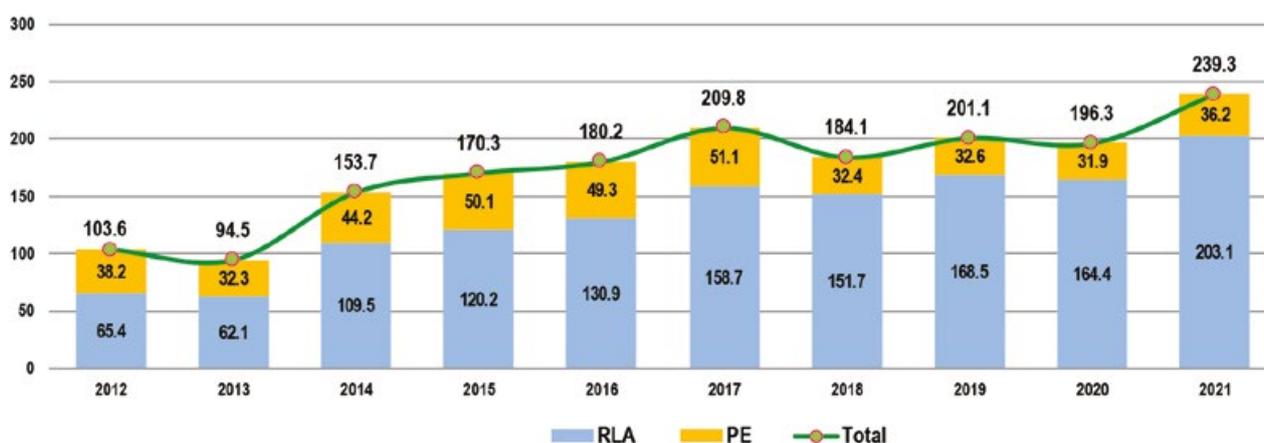


c) Evolution of the collection of earmarked revenue

i. Evolution of overall earmarked revenue from 2012 to 2021

Table 45: Evolution of earmarked revenue (in billion FCFA)

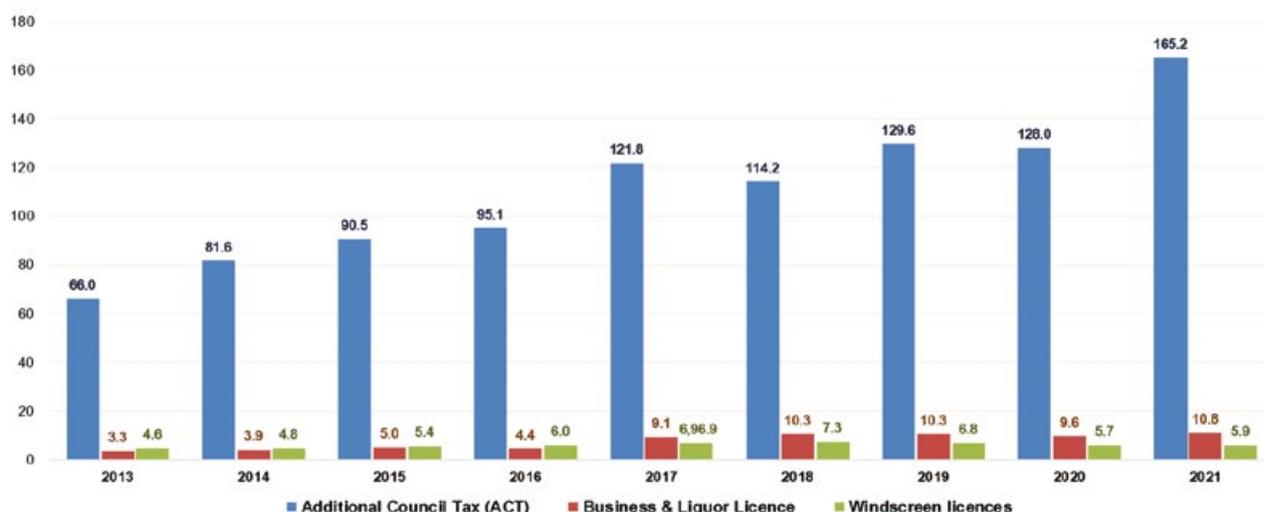
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
LA	65 384.8	62 141.7	109 521.4	120 172.8	130 887.9	158 725.2	151 695.3	168 473.8	164 378.9	203 095.9
PE	38 199.6	32 321.3	44 193.3	50 130.9	49 261.0	51 102.4	32 406.8	32 617.7	31 920.0	36 195.7
Total	103 584.4	94 463.0	153 714.7	170 303.7	180 148.9	209 827.6	184 102.1	201 091.6	196 299.0	239 291.6



ii. Evolution of the main components of revenue allocated to the LA from 2012 to 2021

The Additional Council Tax (ACT), the Business & Liquor Licence and the Windscreen licences contribute to **90%** of the overall output of revenues allocated to the LA. Their evolution is presented in the graph below:

Figure 8: Evolution of ACT, AFL and Windscreen licences since 2012 (in billion FCFA)



This evolution of revenues allocated to the Councils places the DGT as the leading contributor to the financing of decentralisation in Cameroon.

Box 8: Financing decentralisation

According to Article 22 of Law No. 2004/017 of 22 July 2004 on the orientation of decentralisation, ‘the resources necessary for decentralised local authorities to exercise their competences shall be devolved to them either by transfer of taxation, or by allocations, or both.

The transfer of taxation takes two (02) forms:

- an allocation of all or part of certain taxes and duties mobilised by the State’s tax services (Directorate General of Taxation and Directorate General of Customs). This is referred to as taxation allocated to the LA. The resources concerned by this transfer of taxation include in particular: additional council tax, business licence, business liquor, automobile stamp duties, the annual forestry tax, land tax on real estate, registration fees for real estate transfers, tax on games of chance, etc.

- devolution of competence to the LA for the assessment and collection of certain tax levies, known as council taxes, which may be direct or indirect. These local taxes mobilised directly by the LA include, among others, the parking tax, the tax on the slaughter of livestock, the rights of occupation of car parks and parking lots, the council tax on transhumance or transit, etc.

Article 23 of the decentralisation orientation law instituted a general decentralisation allowance, the amount of which is set each year by the finance law, upon government’s proposal. This is subdivided into a general operating allocation and a general investment allocation. The general allocation for decentralisation takes the form of a transfer of funds or the assumption of responsibility for certain expenses of the local authorities, such as the salaries of the heads of municipal executives and their deputies.

Revenue collected by the DGT can also be used directly to finance community projects. This is the case of the Annual Forestry Levy.

Box 9: The Annual Forestry Levy (AFL)

The Annual Forest Levy (AFL) is one of the taxes due by holders of forest exploitation licences, namely concessions and duly notified and validated timber sales. It is based on the area surface of the logging licence, consisting of the flate price and the financial offer. In accordance with the provisions of Article 243 of the General Tax Code, the payment of the RFA is made on the following deadlines:

- forty-five (45) days after notification of the allocation or renewal of the title for timber sales;
- in three (03) equal instalments for concessions

set at 15 March, 15 June and 15 September.

The proceeds of AFL are shared as follows:

- **50%** to the State;
- **50%** to councils, of which **27%** goes to the council hosting the area of the forest exploitation licence, **18%** is subject to equalisation to all Cameroonian councils and centralised in FEICOM and **5%** is for collection and collection costs. The share due to the council where the logging operation is intended for the implementation of community projects.



2) Evolution of revenues in relative terms

a) Evolution of the tax to GDP ratio

The tax to GDP ratio, which was **12.1%** in 2010, rose steadily to **14.7%** in 2015, an increase of **2.6%** over the period (2010-2015). After a decline in 2016 to **14.2%**, the Cameroon's tax burden stood at **14.6%** in 2018 and then fell in 2019, due to the production seizure at SONARA, and in 2020, due to the Covid-19 pandemic. A timid increase is noted in 2021, as shown in the table and graph below:

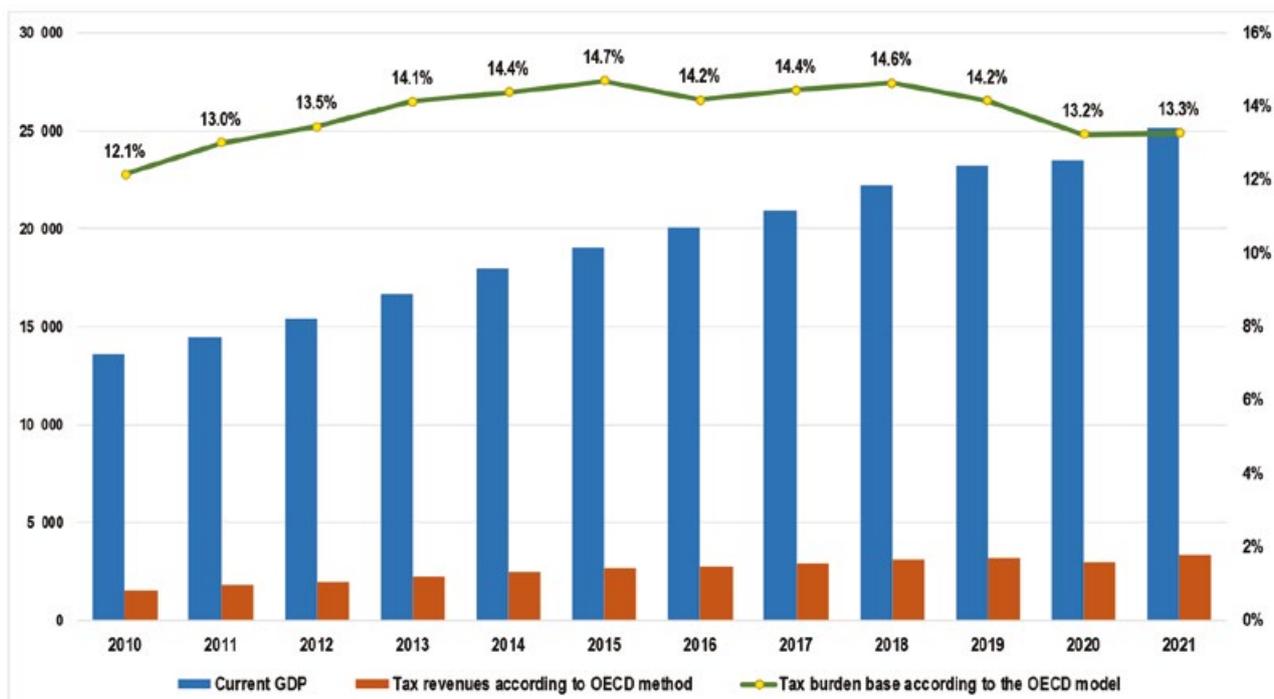
Table 46: Evolution of the tax to GDP ratio from 2010 to 2021 (billion FCFA)

VARIABLES RETAINED FOR THE DETERMINATIONS OF THE TAX TO GDP RATIO												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Current GDP	13 611	14 435	15 396	16 659	17 966	19 043	20 039	20 961	22 203	23 244	23 487	25 158
Tax revenue and levies including Income tax on oil companies) [1]	940	1 085	1 214	1 400	1 549	1 761	1 725	1 857	2 028	2 061	1 960	2 066
Customs revenues [2]	504	545	596	597	700	678	686	733	803	821	708	852
Budgetary tax revenues [3]=[1]+[2]	1 444	1 630	1 810	1 997	2 249	2 439	2 410	2 590	2 831	2 882	2 668	2 918
Social contributions (public and private) [4]	136	144	144	160	154	161	201	214	227	236	244	257
Total tax revenue including soicial contributions) [5]=[3]+[4]	1 580	1 774	1 954	2 157	2 403	2 600	2 611	2 803	3 058	3 118	2 912	3 175
Tax revenues according to OECD method	1 572	1 801	1 999	2 259	2 486	2 688	2 744	2 935	3 146	3 222	3 014	3 341
TAX TO GDP RATIO DETERMINED BASED ON THE VARIABLES ABOVE												
Tax to GDP ratio base on budgetary revenue (DGT)	6.9%	7.5%	7.9%	8.4%	8.6%	9.2%	8.6%	8.9%	9.1%	8.9%	8.3%	8.2%
Tax to GDP ratio base on budgetary revenue (DGC)	3.7%	3.8%	3.9%	3.6%	3.9%	3.6%	3.4%	3.5%	3.6%	3.5%	3.0%	3.4%
Tax to GDP ratio according to the OECD model	12.1%	13.0%	13.5%	14.1%	14.4%	14.7%	14.2%	14.4%	14.6%	14.2%	13.2%	13.3%

Sources: OECD, INS-Cameroun, TABORD, Treasury accounts, DGT



Figure 9: Evolution of the tax/GDP ratio between 2010 and 2021



Box 10: The tax to GDP ratio concept

The tax to GDP ratio defines the relative importance of compulsory levies in the national economy. It is a macroeconomic quantity whose rate is defined in relation to GDP (Gross Domestic Product) and reflects the State's revenue collection effort to meet its expenses.

The methodological approach used to calculate the tax burden rate is that of the OECD. The method involved two criteria that characterise compulsory levies: the entity receiving the levies and the absence of a direct compensation for economic agents:

- the beneficiary body must be a public administration, which includes the central government and bodies whose operations are under its effective control, decentralised local authorities, social security bodies and autonomous public entities;
- the absence of direct compensation in the sense that the services provided by the administrations to economic agents are not proportional to the compulsory levies.

The tax to GDP ratio is generally low in developing countries and reflects the difficulties faced by the tax administrations of these countries to optimally collect the resources generated by compulsory levies. This is often attributed to the predominance of the informal sector and of sectors that make a significant contribution to GDP (agriculture), but which are not taxed. The same applies to developmental projects that propel economic growth and which are, for the most part, tax-exempt.

It is generally admitted that the share of compulsory levies in national wealth must at least attain 25% to be significant and trigger genuine development.



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REFORMS FOR THE 2021 FISCAL YEAR

CHAPTER 03

A. Tax administration reforms

1. Completion of the reform of the Divisional Tax Offices (DTO)
2. Digitalisation of the tax registration procedure
3. Modernization of the management of the taxpayer index
4. Implementation of the Integrated Tax Partner (ITP) paradigm
5. Consolidation of tax payment reforms

B. Tax policy reforms

1. Assistance for post-Covid-19 economic recovery
2. Promotion of the import-substitution policy
3. Promotion of the stock market and banking sectors
4. Improving the business climate
5. Broadening the tax base



In 2021, the Cameroonian tax administration, as part of the deployment of its modernisation plan, consolidated the process of implementing tax administration (A) and tax policy (B) reforms.

A

TAX ADMINISTRATION REFORMS

Tax administration reforms in 2021 focused on Divisional Tax Centres, registration and taxpayer index management procedures, the Integrated Tax Partner (ITP) and tax payment.

1) Completion of the reform of the Divisional Tax Offices (DTO)

The creation of the Large Taxpayer Office (LTO) in 2004, which became a Directorate in 2013, is an important step in the reform of the organisation of services based on the categorisation of taxpayers according to size (turnover) and activity. This reform continued with the establishment of two (02) Medium Enterprises Tax Offices (MTO), in Yaounde and Douala in 2006, then the extension to all Regional Tax Offices (RTO) bringing the total number of MTOs to fifteen (15) in 2017. These two categories of structures (LTO and MTO) were distinguished by the quality of services offered to taxpayers, with the digitisation of procedures for the filing and payment of taxes as the basis.

The Divisional Tax Offices (DTO) are local structures that manage more than **120,000** small and micro enterprises and nearly 6 million non-professional taxpayers. As of 2021, the DTO have undergone profound changes in terms of organisation and operation.

In terms of organisation, the department of Mfoundi, which had thirteen (13) DTO, saw the number reduced to six (06) after the reform. Similarly, in the department of Wouri, the number of DTO reduced from nine (09) to six (06). This reduction in the number of DTO in Yaoundé and Douala, coupled with the renovation and equipment of buildings for all DTO in the national territory, made it possible to offer quality services to both staff and users of these structures.

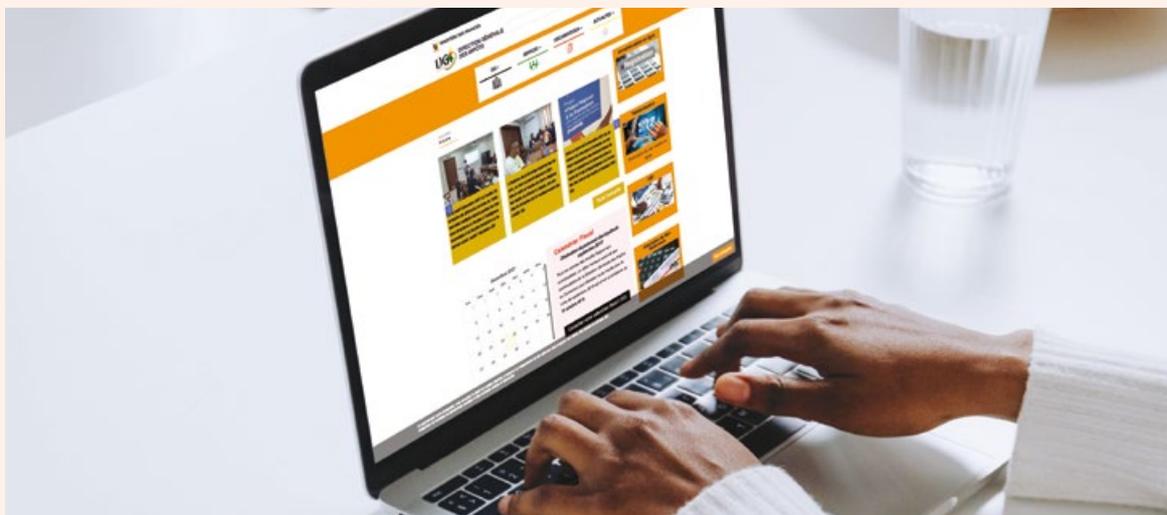
In terms of operating methods, the major innovation has been the digitalisation of procedures for filing, paying and issuing administrative documents online. The transparency brought about by the dematerialisation of procedures has made it possible to reclassify a significant number of taxpayers from DTO to MTO. Thus, the overall MTO index, which was **14,799** in 2020, increased to **16,423 taxpayers** in 2021, i.e. an increase of **1,624 taxpayers (+11.0%)**, thereby improving the output by **37.2 billion (+17.8%)**.

TRANSFORMATION DIGITALE

2) Digitalisation of the tax registration procedure

The registration system in place since 1996 was no longer suitable with the advances in the dematerialisation of procedures that the tax administration has experienced. In 2021, the DGT introduced a new procedure allowing taxpayers and users to register exclusively online and to obtain the registration certificate generated instantly by its computer system at the end of the procedure.

This reform, enshrined in the Finance Law for the year 2021, led to the replacement of the taxpayer's card by the registration certificate, with an unlimited validity, unlike the taxpayer's card, which was only valid for ten (10) years. The registration certificate is intended to be used in all economic activities and administrative procedures of taxpayers, the new registration method has given the DGT the opportunity to expand the tax base, while fighting against fraud and non-compliance, particularly with the reliability of the taxpayer index shared with other public and private bodies and the establishment of rates of advance payments and sanctions for any economic actor who deals with a non-registered agent.



3) Modernisation of the management of the taxpayer index

The national taxpayer index includes all taxpayers, both individuals and legal entities, who are regularly registered. This index is segregated by tax centre and includes:

- registered taxpayers who are constantly fulfilling their tax obligations;
- registered taxpayers who are not active or have been put on hold.

For a harmonious management of the taxpayers' index, the DGT wrote and published in 2021 a «management manual for the registration, file and transfer of taxpayers at the Directorate General of Taxation». This manual specifies in detail the procedures for tax registration, the management of the taxpayer index and the procedures for the transfer of taxpayers.

With regard to the procedure for transferring taxpayers, the manual establishes the change of management centres/units exclusively within the framework of the taxpayers' transfer commission, four sessions are planned each year. In 2021, the assessment of transfers shows that, out of the **9,200** files proposed for transfer, **6,585** were validated and **2,615** rejected on the basis of the criteria defined in the Manual. Similarly, **4,550** transfers were reclassifications, **1,388** were downgrades, **457** were readjustments of the centres to which they were attached and **190** were relocations of activities.

4) Implementation of the Integrated Tax Partner (ITP) paradigm

Faced with the persistence of the underground and informal economy, the DGT put in place an innovative paradigm for broadening the tax base, the Integrated Tax Partner (ITP). The ITP is a taxpayer, natural or legal person, delegated by a sub-sector or a branch of economic activity. He allows the delegators to benefit from legal guarantees, administrative and tax advantages in return for improving their tax compliance within the framework of the predefined objectives of the agreement. To this end, the ITP acts as an intermediary between the tax authorities and the operators of the said sub-sector, to whom it provides all the information necessary for their tax development.

This reform allows for an increase in the number of companies and a better awareness among taxpayers of the importance of collaborating with the tax authorities. In 2021, nearly **127 partnership agreements** have been signed with ITP in various sectors, including general trade, real estate, freight, and transporters and second clothes salers.

5) Consolidation of tax payment reforms

In 2021, the DGT consolidated the reforms relating to new tax payment methods, in particular payment by mobile phone and e-payment.

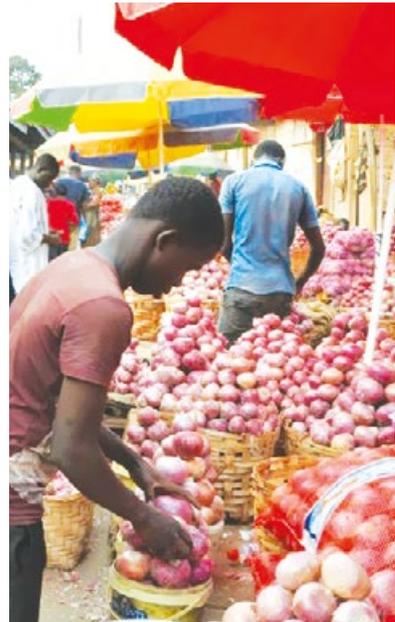
Operational since 2015 for the payment of property tax, the DGT introduced in 2021 the payment of common law taxes by mobile phone. Thus, the Mobile Tax has been opened to the payment of a dozen taxes from the composition of a predefined code that leads the user at the end of the process, to the receipt of a message confirming the success of his operation and announcing the availability of his receipt in his mailbox or at his tax centre.

As for e-payment, it will be established in 2021 as the exclusive method of paying taxes at the Large Taxpayers Office (LTO). In addition, MTO taxpayers are increasingly using this method of payment, which has been optional. In total, in 2021, more than **1,600 billion** taxes were paid through this channel.

Moreover, the issuance and notification of receipts by electronic means has led to the elimination of manual receipts, which were a source of various frauds and bad practices.

FCFA 1,600 billion
paid via telepayment in 2021.

The tax policy reforms contained in the Finance Law for the year 2021 implemented by the DGT focused on tax incentives for economic recovery, promotion of the import-substitution policy, promotion of the stock exchange market and banking sectors, improvement of the business climate and broadening the tax base.



1) Support for post Covid-19 economic recovery

The 2021 Finance Law provides some important tax measures to support economic recovery inherent to the consequences of the Covid-19 pandemic. These measures include:

- reducing the tax burden of companies affected by the health crisis by two percentage points (from 30% to 28%) in the rate of income tax for the year 2021, for the benefit of small and medium-sized companies, and eliminating the axle tax for the benefit of transporters
- the exemption from corporate tax for the hotel sector. This exemption entails exemption from the payment of monthly installments and the minimum tax;
- the reduction from 4% to 3% of the felling tax rate for forestry companies that can prove certification in sustainable forest management and allowing of the option for monthly payment of the annual forestry fee (RFA) in order to spare the cash flow of forestry companies;
- the renewal for the 2021 fiscal year of the suspension of the tourist tax to improve the occupancy rate of hotel accommodations heavily impacted by the crisis;
- the renewal in 2021 of the special transaction provided for by the 2020 finance law, with a view to helping companies badly affected by the health crisis to clear their tax debts, which would enable them to present a healthier financial situation;
- the full deductibility of donations made by companies to the State as part of the fight against the Covid-19 health crisis.

In 2021, tax expenditure inherent to these incentive measures amounted to **10.1 billion**.

2) Promotion of the import-substitution policy

The reforms relating to the promotion of the import-substitution policy focused on measures aimed at reducing imports of essential goods, a source of fiscal expenditure and deterioration of the trade balance, namely:

- The reinforcement of the tax system for the promotion of the agricultural sector in support of the government's policy of promoting import-substitution, through the inclusion in the list of VAT exemptions of agricultural inputs and equipment which were not exempted;
- The abolition of excise duties on locally produced cosmetic products in order to enable local industry to compete with imported products which is a factor in the deterioration of our trade balance.

3) Promotion of the stock exchange market and banking sectors

To encourage taxpayers who have opted for greater transparency in the keeping of their accounts by resorting to the financial market, the 2021 Finance Act enshrines the reduction from 2% to 1.5% of the rate of the advance payment and the minimum collection of the Income Tax Advance Payment (AIR) for the benefit of companies that open their capital on the CEMAC stock exchange market and the perpetuation of the stock exchange market sector promotion scheme.

Similarly, the 2021 Finance Law allows to raise the threshold for exemption of interest on savings accounts from income tax on movable capital from FCFA 10 million to FCFA 50 million, in order to strengthen the banking sector's capacity to mobilise savings.

4) Promotion of an enabling business climate

The new fiscal measures in the 2021 Finance Law also include reforms aimed at improving the business climate, notably:

- The consecration of the eligibility for the refund of VAT credits of organisations that have signed agreements with the State of Cameroon and the institution of the procedure for the automatic reduction of taxes issued in error or due to the DGT's information system;
- The establishment of the exemption from tax audit for companies that show a significant rate of progression of their spontaneous payment taxes, with a view to promoting compliance and consolidating the rationalisation of tax audits in companies.

5) Broadening the tax base

Reforms to broaden the tax base and secure revenues have mainly focused on:

- Strengthening the system of taxation on capital gains on the sale of shares in Cameroonian companies abroad through the obligation to declare direct and indirect sales abroad and the introduction of a 100% pena in the event of failure to declare such sales.
- The rationalisation of the conditions for the deductibility of losses relating to damage, through the introduction of a flat-rate deduction threshold for brewing companies, set at 0.5% of the overall volume of production
- Clarification of the territoriality of VAT on services in order to preserve the competitiveness of Cameroonian companies;
- Securing STPP revenue by making it possible to initiate forceful collection measures against marketers, who are actually liable to this levy, as a form of solidarity of payment with oil depot or refining management companies, which are legally liable for it.

THE DGT AT THE SERVICE OF THE TAXPAYERS

CHAPITRE 04

- A. Issuance of tax documents
- B. Data on special and derogatory tax schemes
- C. Tax disputes in 2021
- D. Transaction (the tax compromise procedure)
- E. Requests for waivers in 2021
- F. VAT refunds

In 2021, the DGT, is committed to improving its relations with taxpayers. For practical reasons, the quantitative assessment of the services provided to taxpayers will focus exclusively on those offered by the central administration. Thus, the DGT received **14,420** queries and various requests to which answers were provided in each case.

A

ISSUANCE OF TAX DOCUMENTS

To enable taxpayers to carry out their activities, clarifications, details and authorisations are provided on general or specific concerns.



80

1) Documents destined to the public

In 2021, the Directorate General of Taxes produced 117 memos, 04 circulars, 45 decisions and 15 communiqués.

2) Individual documents

a) Advanced tax rulings

In 2021, the DGT received and processed 23 advanced tax rulings.

An advanced tax ruling is a mechanism formally enshrined in Article L33 bis of the Manual of Tax Procedures, amended by the 2008 Finance Act. The purpose of this mechanism is to prevent the repression of abuse of rights, by giving the taxpayer, prior to the conclusion of a contract, a legal act or any other project, the possibility of requesting the opinion of the Administration on the applicable tax regime to him. The answer given by the latter constitutes a guarantee for the taxpayer against subsequent changes of interpretation, under certain conditions specified by the said law.

b) Requests for clarification

In 2021, the DGT received and processed 60 requests for clarification.

Exemption certificates are issued to many taxpayers to certify the exemption from taxes on some of their transactions, within the framework of the implementation of derogatory regimes. Tax defragment certificates are issued when in the context of the realisation of public contracts funded by foreign donors, the State undertakes to bear the taxes to be paid in connection with these operations.



1) Tax exemption certificates for VAT and the STPP

In order to ensure its missions of supervision and monitoring, at the fiscal level, of externally or jointly financed contracts, the DGT has issued defragment certificates for Value Added Tax (VAT) and the Special Tax on Petroleum Products (STPP) in the course of 2021 to the tune of **10.6 billion**, i.e. **10.3 billion** for VAT and **0.3 billion** for the STPP.

In addition, the tax authorities have issued VAT exemption certificates for operations carried out by companies operating in the milling sector, amounting to **6.2 billion**.

2) Incentives provided for by the 2013 law on the promotion of private investment

Within the framework of the follow-up of requests for approval, for the benefit of the tax and customs advantages provided for by law n°2013/004 of 18 April 2013 to lay down the incentives for private investment in the Republic of Cameroon, the DGT-DGC committee examined during the financial year 2021, **85 requests**, for which **58** received a favourable opinion from the Minister of Finance, with envisaged investments of **158.5 billion**, and a projection of **4,088 new jobs**.

Table 47: data on requests for approval for incentives in the 2013 law by sector of activity

Sector of activity	Number of requests received		Number of favorable responses		Projected employment		Projected investments in billions	
	New	Existing	New	Existing	New	Existing	New	Existing
Industry	40	19	24	17	1 705	360	61.3	28.9
Hotel industry	8	2	5	2	710	205	32.0	7.3
Food industry	2	3	2	3	355	199	11.5	8.4
Trade	0	0	0	0	0	0	0.0	0.0
Transport	0	0	0	0	0	0	0.0	0.0
Social housing	1	1	0	0	0	0	0.0	0.0
Other (Services, health, leisure)	7	2	4	1	400	154	7.1	2.0
Subtotal by seniority	51	25	35	23	3 170	918	111.9	46.6
Grand total	85		58		4 088		158.5	

Source: DGT

Eight (08) years after the promulgation of the law establishing incentives for private investment, **612 files** were received and processed by the Joint Tax/Customs Committee for **326 favourable** opinions given with projections of **106,215 jobs** and **40,768.1 billion** of investments. Details by sector of activity are presented in the table below.

Table 48: statistics on applications for approval by sector of activity since 2013

Sector of activity	Number of files received	Number approved	Projected employment	Projected investment in billions
Industry	350	220	83 835	39 561.9
Hotel industry	75	39	7 652	518.2
Food industry	74	40	8 100	346.6
Trade	13	0	0	0.0
Transport	05	0	0	0.0
Social housing	13	05	2000	52.0
Other (Services, health, leisure)	82	22	4 628	289.4
Total	612	326	106 215	40 768.1



1) Tax disputes submitted to the tax administration in 2021

In 2021, the DGT received **1,341** requests for cancellation of taxes and duties for a total of **98.3 billion** in principal and penalties, including **1,255** appeals at the first level (RTO/LTO/DGT) for an amount of **61.1 billion** and **86** cases at the second level (MINFI) for a total of **37.2 billion**.

At the end of December 2021, **1,143 claims** had been processed for a total amount of **54.4 billion**, i.e. a processing rate of **85.2%**. The average processing time was **29 days**.

Table 49: statistics on appeals to the administration in 2021

Indicators	Dispute at the 1 st level		Dispute at the 2 nd level		Total disputes	
	Number	Amount (in billion)	Number	Amount (in billion)	Number	Amount (in billion)
Cases received	1 255	61.1	86	37.2	1 341	98.3
Files processed	1 075	32.5	68	21.9	1 143	54.4
Cases reviewed	804	11.6	48	12.2	852	23.8
<i>Cases fully cancelled</i>	596	3.9	19	0.66	615	4.5
<i>Cases partially cancelled</i>	208	7.7	29	11.5	237	19.2
Rejected cases	271	20.9	20	9.7	291	30.6
Average processing time (in days)	25		72		29	

Source: DGT

Of the **1,143** cases processed, **852** led to tax reliefs, i.e. a revision rate of **74.5%**. The total amount relieved amounts of **23.9 billion**, i.e. a rate of relief of **43.8%**.

Table 50 : Evolution of appeals in all DGT structures (amounts in billion of FCFA)

	Year 2021		Year 2020	
	Number	Amount	Number	Amount
Cases received	1341	98.3	1 545	331.8
Files processed	1143	54.2	1 128	242.7
Amounts waived	852	23.8	761	82.5
Montants maintained		30.4		159.7

Source: DGT

The statistics on disputes and reductions by type of procedure in 2021 are presented in the table below:

Table 51: Distribution of tax disputes and cancellations by type of audit

Audit procedure	Number of cases contested	Amount contested (in billion)	Number of cases revised	Amount cancelled (in billion)	Cancellation rate	Average rate of cancellation
Desk audit	75	11.6	42	4.6	56.0%	39.7%
Arbitrary as-sessment	58	1.4	39	0.4	67.2%	28.6%
General audit	60	19.8	36	6.9	60.0%	34.8%
Partial audits	29	3.9	17	0.9	58.6%	23.1%
VS/REL	883	16.8	698	10.8	79.0%	64.3%
Pre filled return	38	0.9	20	0.2	52.6%	22.2%
TOTAL	1 143	54.4	852	23.8	74.5%	43.8%

2) Tax disputes at the level of the courts

As part of the defence of the State's interests before the courts in tax matters, the DGT registered **48 new cases** in the jurisdictional phase in 2021, for a total amount of **18.2 billion**.

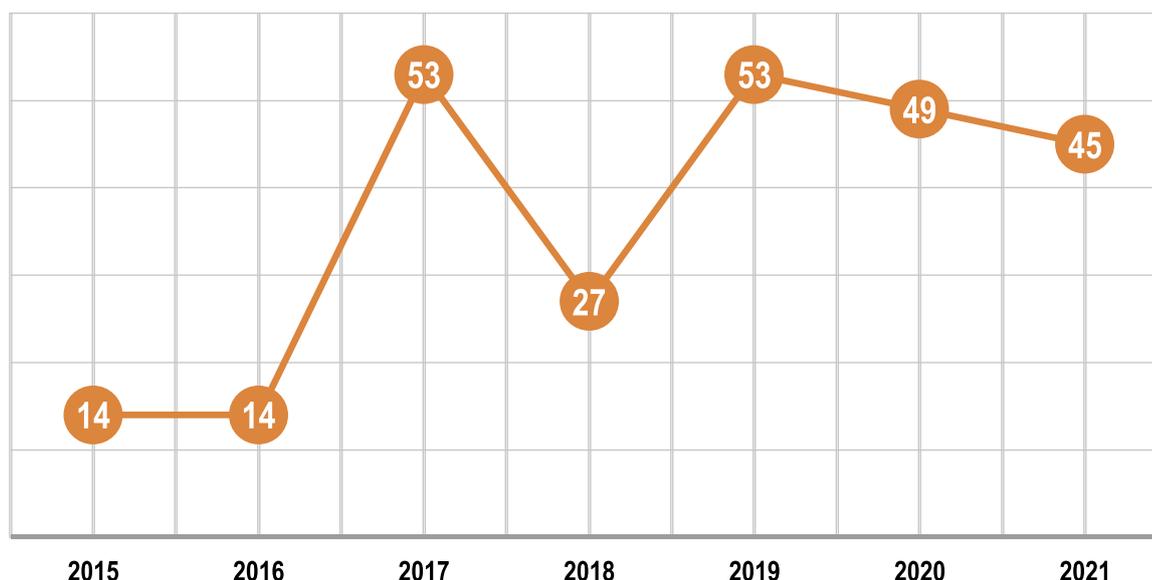
Table 52: statistics for tax disputes at the level of the courts in 2021

	Dossiers reçus		Dossiers vidés		Dossiers en instance	
	Number	Amount (in billion)	Number	Amount (in billion)	Number	Amount (in billion)
Statements of defence	48	18.1	45	16.5	03	1.7

Source: DGT

In addition, **45 decisions** were rendered by the administrative courts, compared to **49 decisions** in 2020 and **53** in 2019. The graph below shows the evolution of decisions rendered since 2015:

Figure 10: Evolution of the number of decisions rendered on the merits by the administrative courts



The increase in the number of decisions rendered as of 2017 is the result of the mutualisation strategy between the tax administration and the jurisdictional institutions, in particular the organisation of seminars on the defence of the State's interests and the sensitisation of magistrates on tax litigation related matters.

D

TRANSACTIONS (THE TAX COMPROMISE PROCEDURE)

Out of **81 transaction** requests filed in 2021, **69** were processed (**85%**), resulting in the confirmation of tax debts for a total amount of **39.4 billion**. The table below shows the details:

Table 53: Statistics on transactions for 2021

	Applications received		Applications processed		Pending cases	
	Number	Amount (in billion)	Nombre	Montants (en milliards)	Nombre	Montants (en milliards)
Ordinary transactions	40	28.2	30	26.6	10	1.6
Special transactions	41	13.5	39	12.6	02	0.8
Total	81	41.7	69	39.2	12	2.4

Source: DGT

E

REQUESTS FOR WAIVERS IN 2021

85

In 2021, all the DGT structures in charge of examining appeals received **826 requests** for the remission of penalties for a total amount of **28.4 billion**.

790 requests were examined, of which **698** were granted moderations for a total amount of **9.6 billion**. This corresponds to a penalty revision rate of **88.4%** and an average remission rate of **33.8%**.

Table 54: Distribution of penalty waiver requests at the level of the DGT (amounts in billion FCFA)

Indicators	Waiver of Penalties (RGP) from DGT, LTO and RTO		Waiver of Penalties (RGP) from the MINFI		Total waivers	
	Number	Amount	Number	Amount	Number	Amount
Applications received	782	10.9	44	17.5	826	28,4
Requests processed	746	10.8	44	17.5	790	28,3
Revised requests	662	88.7	36	6.1	698	9,5
<i>Review rate of claims</i>	<i>88.7%</i>		<i>81.8%</i>		<i>88.4%</i>	
<i>Average remission rate</i>	<i>31.5%</i>		<i>65.2%</i>		<i>33.8%</i>	

Source: DGT

In 2021, the new outstanding amounts approved by the DGT's operational structures amount to **69.9 billion**, a decrease of 22.2 billion compared to 2020. The amount of actual refund dropped from **98.0 billion** in 2020 to **67.3 billion** in 2021, a decrease of **30.7 billion**.

1) Analysis of VAT refund by sector of activity

Forestry, construction and other services and industry account for **92.5%** of the total amount of VAT refunds. The table below shows the evolution of these refunds by sector of activity:

Table 55: VAT refund by sector of activity (in billion FCFA)

Sector of activity	Amount refunded		Weight in 2021	Variation 2021/2020
	2021	2020		
Forestry	18 581.9	28 634.9	27.6%	-35.1%
Construction and other service providers	27 569.3	34 993.7	41.0%	-21.2%
Industry	16 116.8	26 284.3	23.9%	-38.7%
Transporters	4 880.3	7 644.6	7.3%	-36.2%
Diplomatic and other missions	147.7	442.5	0.2%	-66.6%
TOTAL	67 296.0	98 000.0	100.0%	-31.3%

The decline in the amount refunded between 2019 and 2020 of **30.7 billion (+31.3%)** is explained in particular by the special national solidarity fund for the fight against the Coronavirus and its economic and social repercussions of **25.0 billion**, which brought refunds to **98.0 billion** in 2020.

At the end of December 2021, the stock of credits stood at **5.7 billion** against **15.5 billion** at 31 December 2020, i.e. a decrease of **9.8 billion (-63.2%)**.

2) Analysis of VAT credits per origin

Exporters benefited from half of the amount allocated for the refund of VAT credits in 2021, i.e. **50.2%** of the overall amount. The table below shows the details of the refunds by origin of the credits:

Table 56: VAT refund per origin of credits (in billion FCFA)

Source of credit	Amount refunded		Weight in 2021	Variation 2021/2020
	2021	2020		
Exports	33 802.1	57 253.0	50.2%	-41.0%
Withholding taxes	32 807.3	38 548.6	48.8%	-14.9%
Investments	450.0	1 759.2	0.7%	-74.4%
Exemptions	236.5	439.2	0.4%	-46.1%
TOTAL	67 296.0	98 000.0	100.0%	-31.3%

3) Analysis of VAT refunds per type of company

Due to their weight in the stock of outstanding loans, large enterprises received **87%** of the amount of repayments in 2021. The table below shows the repayment statistics according to company size:

Table 57: VAT refund per size of company (in billion FCFA)

Type of company	Amount refunded		Ratio	Variation 2021/2020
	2021	2020		
Large companies	58 702.3	89 797.5	87.4%	-34.6%
SME	8 446.0	8 202.5	12.6%	+3.0%
TOTAL	67 148.3	98 000.0	100.0%	-31.5%

4) Consolidation of achievements and prospects for the refund of VAT credits

The reforms implemented are the creation and increase of resources relating to the automatic fund of the escrow account dedicated to the refund of VAT credits, the refund without prior audit for the benefit of low-risk companies and the online monitoring of refund claims, have substantially reduced refund deadlines. These deadlines, which were more than **06 months** in 2010 were reduced to **20 days** in 2021 upon receipt of the file at the central level as presented on the graph below:



Source : DGT

Going forward, the improvement of the legal framework for the processing of VAT refund files should continue with the ongoing work on the automation of the procedure.



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ANNUAL REPORT 2021

THE DGT ON THE INTERNATIONAL FRONT

CHAPTER 05

A. Multilateral cooperation

B. Bilateral cooperation

The year 2021, like the previous one, was marked by the Covid-19 health crisis, which slowed down the implementation of cooperation actions undertaken by the DGT. However, the Tax Administration has distinguished itself internationally through multilateral and bilateral cooperation.

A

MULTILATERAL COOPERATION

In 2021, DGT actively participated in meetings, seminars, workshops and trainings organised by its main multinational partners.

1) The Global Forum on Transparency and Exchange of Information for Tax Purposes

The DGT participated in the 9th, 10th and 14th meetings of the Africa Initiative of the Global Forum on Transparency and Exchange of Information for Tax Purposes, held on 9 June, 15 November and between 17 and 19 November 2021 respectively.

Similarly, the Tax Administration participated in the following webinars:

- Training on exchange of information: between April and December 2021;
- Training for assessors: 5-9 July 2021;
- Establishment of an effective and functional Exchange of Information Unit: 14-15 October 2021.

2) The Economic Community of Central African States (CEMAC)

The DGT represented the Ministry of Finance at the following sub-regional general assemblies:

- The Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF), held by videoconference from 19 to 21 October 2021 ;
- The Permanent Commission for Fiscal and Accounting Harmonisation of CEMAC (CPHFC) whose 13th ordinary session took place from 1 to 5 November 2021 in Douala. During this session, the files of accreditations to the accounting and tax professions transmitted by Cameroon were validated and the draft text on the institution of the Community Tax on Telephone Calls (TCAT) examined.

3) Participation in seminars and trainings organised by ATAF, the OECD and CREDAF

In 2021, the DGT participated in:

- The virtual workshop on the Multilateral Instrument organised by the African Tax Administration Forum (ATAF), held from 15-17 June 2021;
- The training on the most pressing international tax issues for the mining sector, including transfer pricing risks along the mining value chain (offshore marketing centres, intercompany loans) and commodity price verification, jointly organised by the OECD (Organisation for Economic Co-operation and Development) and ATAF from 23 June to 17 November 2021;
- The virtual seminar on the theme «Taxation of the Digital Economy: issues related to the application of new international tax rules», organised by the OECD from 06 to 07 December 2021;
- The virtual workshop on «Tax treaties: specific provisions - Permanent Establishment (PE), royalties and services», organised jointly by the OECD and CREDAF (Centre des rencontres et Études des Dirigeants des Administrations Fiscales) from 8 to 10 December 2021;
- The virtual regional consultation, conducted by the OECD in conjunction with the tax administrations of French-speaking countries, on the progress made by developing countries in addressing the tax challenges posed by the digitalisation of the economy, organised on 2 June 2021.

B

BILATERAL COOPERATION

1) Densification of the treaty network

In 2021, the DGT extended its network of bilateral tax treaties (1) and continued negotiations for the conclusion of international tax treaties (2).

a) Ratification of Tax Treaties

- By Decree N°2021/246 of 27 April 2021, Cameroon ratified the Tax Convention with the United Arab Emirates (UAE) for the elimination of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed on 13 July 2017.

The acknowledgement of receipt of the instruments of ratification by the UAE side is still awaited. Its date of receipt by the Cameroonian Authorities marks the entry into force of the said Convention, in accordance with the provisions of its Article 30.

- In terms of prospects, Cameroon plans to deposit its Instrument of Ratification of the Multilateral Convention on the Implementation of Tax Treaty Measures to Prevent the Erosion of the Tax Base and the Transfer of Profits (the MLI), which currently covers more than 1800 bilateral tax treaties, with the OECD Secretariat in Paris, France in 2022.

It will thus enter into force in Cameroon three (03) months after the date of deposit, and will allow for the automatic updating of tax treaties in our country.



b) Negotiation of international tax treaties

2021 was equally marked by:

- **The preparation of technical files for the agreements under negotiation with Vietnam, Egypt, China, Qatar and Switzerland:**

It should be recalled that the start of discussions with these countries with high economic potential reflects the firm desire of the authorities to forge beneficial partnerships and to increase trade between Cameroon and these countries.

The resulting tax treaties will aim at favouring the expansion of activities with these countries, by eliminating barriers to investment such as double taxation, without leading to situations of double non-taxation. Indeed, Cameroon, as a member of the OECD's Inclusive Framework, is committed to fighting against the phenomena of base erosion and profit shifting, which are condensed in the acronym BEPS (Base Erosion and Profit Shifting).

- **The continuation of exchanges of letters between Authorities with a view to the signing of draft agreements with the Seychelles, Nigeria and the Czech Republic:**

In this regard, the final preparatory work for the signing of the Convention with the Czech Republic, in particular the bringing into conformity of the French translation of the said Convention according to the observations of the Czech Republic, has been finalised.

Similarly, the proofreading of the French translated versions of the conventions with Nigeria and the Seychelles has been completed. Discussions with the focal points of these two (02) States are underway with a view to setting deadlines for the deployment of the delegations for their forthcoming signatures.

2) Cooperation with the USA

The year 2021 marks the return of face-to-face technical assistance missions by the Office of Technical Assistance (OTA) of the US Treasury. As such, Mr. Alan ROBIDOUX, Acting Director of the OTA and Mr. George DODD, Advisor to the said structure, visited Cameroon during the first half of 2021.

OTA's missions were aimed at supporting the DGT in the accomplishment of its missions of mobilisation and securing revenues based on the dematerialisation of all tax procedures. In concrete terms, this assistance focused in particular on:

- Capacity building of the internal audit Service in the area of internal audit, notably on the appropriation of international standards, the drafting of the objective and the elaboration of a draft internal audit manual;
- Support for the LTO in the area of tax auditing through training in the fundamental techniques of General Accounting Verification (GAV) for auditors and exchanges on tax audit performance indicators (Key Performance Indicators KPIs) to be monitored at the strategic level of the organisation. In addition, a survey on additional training needs was conducted and a list of future training courses was drawn up in order of priority;
- The creation of a pool of trainers for the DGT's Centre for Advanced Training and Continuing Education, the construction of which has been completed. To this end, DGT executives have been trained in adult education techniques and the design of training modules.

OTHER HIGHLIGHTS OF 2021

CHAPTER 06

- A. Awareness-raising caravans on teleprocedures in the DTO
- B. Seminar on the preparation of the 2022 exercise
- C. The DGT sensitize taxpayers on the tax reforms and innovations of the 2021 Finance Law
- D. The multipurpose complex of MUNDI, new den of indomitable lions
- E. The DGT awards the best agents in 2021



A

SENSITISATION CARAVANES ON E-PROCEDURES IN DTO'S

The year 2021 marks the completion of the important reform of the dematerialization of the procedures of filing and payment of taxes in the Divisional Tax Offices (DTO). To ensure the success of this reform, the Tax Administration has implemented a proactive communication plan. More than in the past, the emphasis has been placed on raising awareness and training taxpayers as well as staff and administrative authorities, through a permanent presence on the ground through caravans deployed throughout the country.

The awareness caravans, with the support of partners (Orange, Yup, MTN and GUCE), were deployed in the following three stages:

- **stage 1:** sensitisation of the 1st generation DTOs, namely the 06 DTOs in Yaoundé and the 06 DTOs in Douala;
- **stage 2:** sensitisation in the 2nd generation DTOs located in the regional capitals and the DTOs in the cities of Kribi, Nkongsamba and Mfou;
- **stage 3:** sensitisation in the 3rd generation DTOs, particularly those located in the divisions.

At the end of the awareness caravans, the results obtained are visible for both DGT staff and taxpayers.

The capacity building of the tax administration staff focused on the mastery of business applications for a better support of taxpayers in the fulfilment of their tax obligations, including declarations, payments and the automatic edition of tax documents. Taxpayers' awareness was focused on the advantages and facilities of the dematerialisation of procedures. Particular emphasis was placed on the difficulties encountered by taxpayers on a daily basis. To this end, regional monitoring committees were set up and an IT helpdesk for permanent assistance to taxpayers was set up at central level.





The Director General of Taxation chaired from 16 to 17 December 2021, at the Multifunctional Complex of the MUNDI in Ntoun, the preparation seminar of the 2021 fiscal year coupled with the coordination meeting of the central and devolved services of the DGT in November.

The work focused on the definition of the strategic plan for the mobilisation of tax revenues in accordance with the objectives assigned in the Finance Law 2022. More concretely, actions were identified, by tax function, that should serve both to optimise tax revenue mobilisation and to enrich the DGT's modernisation plan.



For the compliance function, the major actions identified were related to:

- The implementation of the Integrated Tax Partner (ITP) mechanism through the signature and effective implementation of the protocols of agreement, to broaden the tax base. With regard to the number of protocols to be signed, quantitative objectives have been set for the operational structures and monitoring and evaluation tools defined;
- Optimising the new tax measures of the Finance Law 2022;
- The automation of deactivations and reactivations of defaulting taxpayers;
- clarification of the legal framework of the DPR (no declaration, Nil declaration, null declaration);
- The relaunch of the DGT-DGTCFM exchange platform with the institution of the requirement of the ANR prior to the provision of resources to the taxpayers;
- The digitalisation of the management of individualised taxpayer files through the automated updating of information.

For the audit function, the actions to be implemented were based in particular on:

- The professionalisation of tax auditing through the acquisition of tax-related information from paying sites, the provision of tax-related information from foreign tax administrations, the use of existing monographs and the drafting of new monographs
- Implementation of the right of investigation in the forestry sector;

- Implementation of the right to search;
- Implementation of the right of automatic communication through the negotiation of partnership agreements with other bodies;
- The extension of the FUSION tool to all RTOs.

For the collection function, the major actions identified were related to:

- The finalisation and communication of the circular on prosecution measures;
- The total automation of the tax stamp chain (mentions and payment);
- The implementation of automatic accounting for the issuance and payment of taxes and duties;
- The operationalisation of new payment methods (mobile phones, cash payments at bank counters) in the renovated DTOs.

In terms of the information system, the major actions identified concerned:

- The separation of environments (development, test and production)
- Standardisation of administrative and fiscal reference systems
- The standardisation of databases
- Management of identities and access to applications and systems
- Harmonisation and updating of the taxpayers' file;
- The implementation of the transfer notice;
- Automation of the management of tax arrears;
- The digitalisation of the clearance of AMR;
- The dematerialisation of the tax litigation procedure;
- The dematerialisation of the VAT credit refund procedure;
- Digitisation of the form for collecting geolocation data of buildings (Yaoundé I and Mfou councils).

In terms of taxpayers' rights, the main areas of intervention in 2022 were related to:

- Control of deadlines for litigation ;
- Prompt processing of requests for suspension of payment
- The prompt processing of requests for the remission of penalties;
- Speeding up and controlling the processing time for VAT refunds;
- The acceleration of the processing of requests for clarification, approvals and rescripts;
- The publication of the circular in the various DGT platforms (website, Facebook page) as soon as they are signed;
- The permanent updating of the DGT's website and Facebook page in both official languages.

C

THE DGT SENSITIZE TAXPAYERS ON THE TAX REFORMS AND INNOVATIONS OF THE 2021 FINANCE LAW

From 15 to 19 February 2021, the Director General of Taxation, accompanied by his close collaborators, paid a working visit to Douala to discuss with taxpayers the major reforms implemented within the Tax Administration since 2014 and the new tax measures of the 2021 Finance Law.

- **Discussions with companies**

The key activities of this DGT visit to Douala focused on presentations, debates and meetings with economic operators. Thus, two consultations chaired by the Governor of the Littoral Region were held in the Blue Diamond conference room of the Falaise hotel in Bonanjo on 16 and 18 February 2021.

While the first consultation gathered more than 250 representatives of large companies and their affiliated socio-professional groups, the second was dedicated to 300 representatives of SMEs and their affiliated socio-professional groups. These participants were educated on the major reforms implemented within the Tax Administration and the new tax measures of the 2021 Finance Law.

- **Responding to individual taxpayers' concerns**

The DGT devoted the day of Wednesday, February 17, 2021 to individual and collective meetings, which lasted at least 30 minutes where he addressed the specific concerns of nearly a hundred companies (large, medium and small) and socio-professional groups.





D

THE MULTIPURPOSE COMPLEX OF MUNDI, NEW DEN OF INDOMITABLE LIONS

As part of the preparation of the TOTAL Energy AFCON 2021, the Indomitable Lions of Cameroon benefited from the ultra-modern facilities of the MUNDI Multipurpose Complex in Ntoun. The new Lions' den came as the ideal site for the preparation of the five-time African Football Champions, in a context marked by the Covid-19 pandemic. Thus, Complex contributed significantly to the good performance of the national football team against its future opponents.

The road serving the MUNDI Complex was refurbished as well as the various playgrounds and leisure areas made this unique site the only secret, through the accommodation and catering facilities, nothing was left out to make the prestigious guests live the splendours of the Cameroonian «Clairefontaine». Players and coaches were able to discover on their arrival this wonderful setting not very different from those existing in their clubs. This framework includes, inter alia:

- a large football stadium with natural green grass with a capacity of 700-seats;
- dressing rooms worthy of the best football stadiums in the world;
- a hotel with 53 rooms of 5-star standard;
- two (02) swimming pools;
- open natural walking space.





E

THE DGT REWARDS ITS BEST EMPLOYEES IN 2021

Introduced since 2017, the «best agent» award of the central and devolved services makes it possible to create a healthy emulation within the staff so as to stimulate professional awareness through more dedication and abnegation at work and consequently to make the DGT more efficient, both in the mobilisation of resources and in the improvement of the service rendered to taxpayers and users.

The selection of the best agents is made on the basis of the following criteria:

- a contribution to the achievement of performance: the best agent must have particularly distinguished himself/herself by a personal and remarkable involvement in the achievement of the quantitative and qualitative objectives assigned to his/her structure of attachment during the evaluation period;
- an impact in improving the quality of service within the organisation
- irreproachable disciplinary behaviour, in terms of probity, punctuality, assiduity, availability and diligence in dealing with the files entrusted to them
- respectful relations with their superiors, colleagues and collaborators.

DGT staff who meet the above criteria become a reference within their structure, their standard-bearer. The «best agent» is an example whose actions inspire his/her colleagues.



MEILLEURS AGENTS DES SERVICES CENTRAUX DE LA DGT

QUATRIÈME TRIMESTRE 2021



AISSATOU Epse YOPA TCHAPDA (CA)
Cabinet du DGI



AKAM Marcelle M. epse NDOMO (CCA)
Service d'Ordre



ZOMBO MBANG Yolande. (CCA)
Celcom



EKWALLA Georges Arnold (CPRFI)
DGE



IDAHA MALOUM (AD)
DAG



MBEDE ZE Yannick Protais (IRFI)
DLRFI



DJAME Boris Flavien (TSI)
DI



NITEK Charles (IPRFI)
DEPSCF



NTONGA NTONGA Bernard Fils (IPRFI)
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DSSI



NGANGUE LYAL Cyril (IRFI)
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DRVFC



NSONG Marie Laure (CA)
ISI



MBENGONO Angeline Solange (CCA)
PSREP



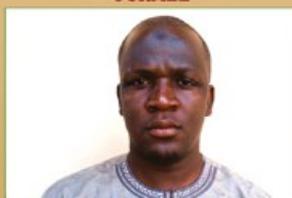
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PSRMEE



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PSRDCF



MBODOU OWONA (PLEG)
PSRF



ABDOU KARIMOU (CAT)
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