

RÉPUBLIQUE DU CAMEROUN  
Paix - Travail - Patrie

MINISTÈRE DES FINANCES

DIRECTION GÉNÉRALE DES IMPÔTS

DIVISION DE LA LEGISLATION  
ET DES RELATIONS FISCALES INTERNATIONALES

CELLULE DE LA LEGISLATION FISCALE

REPUBLIC OF CAMEROON  
Peace - Work - Fatherland

MINISTRY OF FINANCE

DIRECTORATE GENERAL OF TAXATION

LEGISLATION AND INTERNATIONAL TAX RELATIONS  
DIVISION

TAX LEGISLATION UNIT



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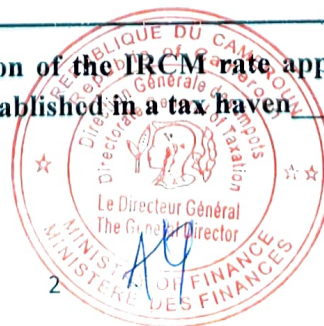
24 FEB 2025

CIRCULAR N<sup>o</sup>. ..... /MINFI/DGI/LRI/L of..... Specifying  
the terms and conditions for applying the tax provisions of the law  
No. 2024/013 of 23 December 2024 to lay down the Finance Law of the  
Republic of Cameroon for the financial year 2025



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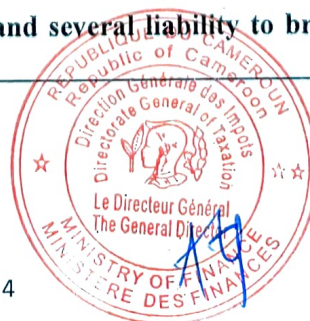
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# *The Director General of Taxation*

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- **Head of the Tax Inspectorate ;**
- **Directors and equivalent ;**
- **Heads of Regional Tax Centres ;**
- **Deputy Directors and equivalent ;**
- **Heads of Department and equivalent.**

The purpose of this circular is to specify the terms and conditions of application and to ensure the effective implementation of the new tax provisions introduced by Law No. 2024/020 of 23 December 2024 to enact the Finance Law of the Republic of Cameroon for the financial year 2025.

These provisions are in line with the priorities defined by the Head of State in the Circular relating to the preparation of the budget for the 2025 financial year. They are aimed in particular at improving the business climate, promoting local production and import-substitution, broadening the tax base, optimising the security of tax revenues, strengthening tax compliance and consolidating the fight against tax fraud and evasion. They concern :

- Company Tax (CIT) and Personal Income Tax (PIT);
- incentive measures ;
- Value Added Tax (VAT) and Excise Duty ;
- specific taxes ;
- registration and stamp duties ;
- tax procedures.



# 1 PROVISIONS RELATING TO THE COMPANY TAX (CIT) AND THE PERSONAL INCOME TAX (PIT)

## 1.1 Section 7-A-1 - Exclusion from tax deductibility of remuneration for certain transactions carried out by non-resident service providers

1. In application of the new provisions of section 7 A.-d-1 of the General Tax Code (GTC) and subject to the tax treaties on the avoidance of double taxation entered into by Cameroon, expenses relating to accounting and tax assistance services provided by service providers established outside the territory of the CEMAC are no longer deductible in determining taxable income for corporation tax purposes. This exclusion represents a change from the previous legislation, which limited this deductibility to a ceiling of 2.5% of taxable profit.

2. It should be noted that this provision applies to fees paid to any provider of accounting and tax services, irrespective of the existence of links of dependency with the paying party. Accordingly, sums paid to unrelated companies in respect of such services are not eligible for deduction if the service is provided by an entity domiciled outside the CEMAC.

3. It should be remembered that fees for accounting and tax assistance services remain deductible when paid to service providers resident a Member State the Central African Economic and Monetary Community (CEMAC).

4. The concepts of accounting and tax services, within the meaning of these provisions, cover in particular :

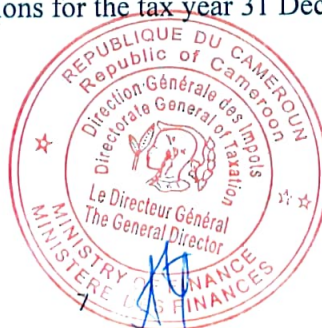
- **accounting service:** any service relating to the keeping, auditing or certification of a company's accounts, including advisory or support services in accounting management;
- **tax service:** any service related to the management of a taxpayer's tax obligations, including the preparation, verification or submission of tax returns, as well as tax review and assistance with audits or litigation.

5. To benefit from this deduction, taxpayers must provide the supporting documents generally required (invoice, contract or any other document in lieu thereof):

- a certificate the service provider's tax residence, issued by the competent tax authority of the CEMAC Member State concerned;
- a copy of the CEMAC licence of the self-employed professional concerned;
- a copy of the registration certificate for profession concerned.

6. Any deduction made in breach of the aforementioned provisions must be spontaneously reinstated by the Cameroonian taxpayer in the table showing the transition from accounting income to tax income in the Statistical and Tax Return (DSF). If this is not done, the deduction will be systematically rejected during tax audits, with the amounts concerned being reintegrated into the taxable base and the IS and IRCM being recalled.

7. These provisions apply to transactions for the tax year 31 December 2025, to be reported in 2026.



## 1.2 Section 7-A-d - Adjustment of the ceiling on the deductibility of commission and brokerage on purchases

8. Under the provisions of the Finance Act for the 2025 financial year, the ceiling on the deductibility of commissions and brokerage fees relating to purchases made abroad on behalf of companies located in Cameroon has been reduced to 1% of the amount of the purchases.

9. For the purposes of applying this ceiling, the basis for calculating commissions and brokerage on purchases is the total amount of purchases, including :

- the acquisition cost of goods, merchandise or raw materials;
- ancillary costs directly linked to the acquisition, such as transport, insurance or any other related costs.

10. The non-deductible portion of commissions and brokerage fees on purchases constitutes an irregular distribution of profits within the meaning of Section 36 of the GTC. It is therefore subject to corporation tax and IRCM. The basis for calculating the IRCM in this case is the non-deductible amount less the corporation tax due.

11. The procedures for determining and adjusting this ceiling remain those detailed in Circular No. 003/MINFI/DGI/LC/L of 08 February 2013 specifying the procedures for applying the tax provisions of Law No. 2012/014 of 21 December 2012 to enact Finance Law of the Republic of Cameroon for the 2013 financial year.

12. These provisions apply to transactions for the tax year 31 December 2025, to be reported in 2026.

### Practical illustration

#### Example 1: Compliance with the ceiling

A Cameroonian company pays a commission of FCFA 3 million excluding VAT for the purchase, in its name and on its behalf by an intermediary, of goods worth FCFA 300 million from a supplier established in China.

- Deductibility ceiling =  $300 \text{ million} \times 1\% = \text{CFAF } 3 \text{ million}$ .
- Deductible amount = 3 million FCFA (the commission respects the ceiling).

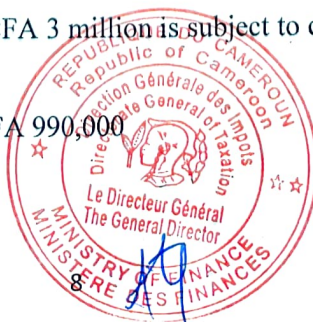
#### Example 2: Exceeding the ceiling

If, for the same purchases, the commission is FCFA 6 million :

- Deductibility ceiling =  $300 \text{ million} \times 1\% = \text{CFAF } 3 \text{ million}$ .
- Deductible amount = CFAF 3 million.
- Surplus reintegrated into the tax base =  $6 \text{ million} - 3 \text{ million} = \text{CFAF } 3 \text{ million}$ .

NB: The non-deductible portion of FCFA 3 million is subject to corporation tax and IRCM after deduction of corporation tax.

- IS reminder:  $3 \text{ million} \times 33\% = \text{FCFA } 990,000$





- IRCM reminder: (3 million - 990,000) \* 16.5%= FCFA 331,650

13. These provisions apply to transactions for the tax year ending 31 December 2025, to be reported in 2026.

### 1.3 Section 7-A-d - Elimination of gender discrimination in the deduction of travel expenses for paid leave

14. Until the 2025 Finance Law came into force, travel expenses paid by companies paid holidays were deductible only salaried partners and their wives. By omitting to explicitly mention the male spouses of salaried partners, this wording introduced inequality based on gender, contrary to the constitutional principles of equality and non-discrimination, as well as Cameroon's international commitments.

15. The 2025 Finance Law corrected this provision in order to explicitly include spouses, regardless of their gender, and thus ensure equal treatment for both male and female salaried partners.

16. From now on, transport costs paid by the company as part of paid holidays are deductible for salaried partners and their spouses, subject to compliance with the general conditions for deductibility set out in the I.

17. It is understood that it cannot be inferred from this change that, in the past, travel expenses for holidays for male spouses were not deductible, as this deduction was implicit.

18. To this end, companies are required to keep and make available to the tax authorities the necessary supporting documents, in particular travel tickets and proof of payment of the expenses concerned.

### 1.4 Section 7 A-2 - Clarification of the non-deductibility of certain rental expenses

19. As part of the strengthening of anti-abuse measures, the legislator has clarified the scope of the system of non-deductibility of certain rental expenses, which was often interpreted as applying only to individual lessors. The new wording of this provision expressly covers legal entities as well as individuals.

20. The implementation of this non-deductibility measure is subject to the fulfilment of two substantial conditions:

- The first relates to the nature of the property being leased;
- the second condition relates to existence a qualified capital link between the parties to the lease.

#### a. Qualifying the leased property

21. The legislator has limited the scope of the scheme to tangible movable property, which is characterised by its ability to be moved without altering its substance. This legal category includes, but is not limited to



This includes, but is not limited to, industrial equipment including ships, computer equipment, motorised land vehicles and professional tools.

22. It should be emphasised that real estate, whether by nature or purpose, is expressly excluded from the scope of this scheme.

23. By "immovable property by destination" is meant movable property that the owner of land has placed there for the service and operation of that land, or where it is attached to the land in perpetuity.

**b. The existence a capital link**

24. The non-deductibility rule applies where the lessor, who is a legal entity under private or public law or an individual, holds a minimum 10% interest in the share capital of the lessee company, whether this interest is direct or indirect.

**i. General rules: direct participation**

25. The shareholding threshold is determined on the basis of the share capital actually issued, taking into account the shares or corporate units conferring ownership of both the company's capital and voting rights.

26. It should be emphasised that this assessment is made on the date on which the rents are actually paid, which means that the companies concerned must regularly monitor changes in their shareholder base.

**ii. Indirect participation**

27. In the case of indirect shareholdings, the entire chain of shareholdings should be taken into account when assessing the 10% threshold, by multiplying the successive percentage holdings.

**Practical illustration**

- **Company A** (lessee) leases land motor vehicles from **company B** (lessor), both legal entities under private law.
- The share capital of **company A** is set at **FCFA 10,000,000** and is distributed as follows:
  - **Company B** holds 15% of the share capital of company A, i.e. **FCFA 1,500,000**.
  - The remainder of the capital is held by other investors with no significant capital links with company B.

**Analysis of conditions :**

- **Type of property rented :**
  - As motorised land vehicles are tangible movable assets (mobility without alteration of their substance), they fall within the scope of the measure.
- **Qualified capital link :**



- Company B holds 15% of the share capital of company A (FCFA 1,500,000 out of FCFA 10,000,000).
- This percentage exceeds the required minimum threshold of 10%, making this condition fulfilled.

**Indirect shareholdings :**

- If company B owned 40% of the capital of company C, and company C owned 50% of the capital of company A, the indirect holding of company B in company A would be calculated as follows:  $40\% \times 50\% = 20\%$ .
- At 20%, indirect shareholdings also exceed the 10% threshold, making the measure applicable.

**Tax consequences :**

- The annual rental payments made by Company A to Company B for the hire of the vehicles are set at FCFA 5,000,000.
- Because of the qualified capital link, these FCFA 5,000,000 in rental payments will not be tax deductible for company A.

**c. Entry into force**

28. This provision applies to results for the financial year ending 31 December 2025.

**1.5 Section 7 C. - Simplification of the conditions for deductibility of bad debt losses for credit institutions**

29. Section 7-C of the General Tax Code, as revised by the 2025 Finance Law, introduces greater flexibility in the deduction of bad debt losses.

30. This measure now distinguishes between two deductibility regimes applicable to bad debts, depending on the category of financial institution and the amount of the debt.

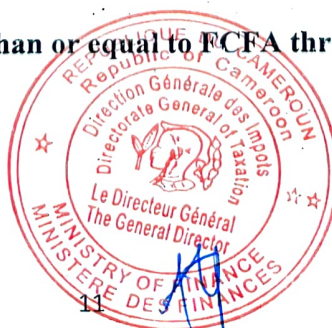
**a. The deductibility of losses relating to bad debts of microfinance institutions**

31. For microfinance institutions, the threshold for automatic deduction of bad debt losses is maintained at FCFA five hundred thousand (500,000), as specified by the provisions of circular N°12/MINFI/DGI/LRI/L of 13 July 2022, which remains fully applicable for these entities. Beyond this threshold, the deduction of the loss is conditional on proof exhaustion of amicable and forced recovery methods.

**b. The deductibility of losses relating to banks' bad debts**

32. From now on, the deductibility of losses relating to bad debts will depend on the amount of the debt.

- **Receivables for an amount less than or equal to FCFA three million (3,000,000)**



33. Irrecoverable debts of credit institutions amounting to less than or equal to FCFA three million (3,000,000) are henceforth automatically allowed as a deduction, without it being necessary to prove that the amicable and enforced means of recovery provided for by the regulations in force have been exhausted.

- **Receivables in excess of FCFA three million (3,000,000)**

34. Bad debts owed by credit institutions in excess of FCFA three million (3,000,000) remain subject to the obligation to provide proof that all amicable and compulsory collection procedures have been exhausted, in accordance with the provisions in force.

c. **Conditions applicable to banks and microfinance institutions, and methods of deduction**

35. To be allowed as a deduction, the provision must be entered on the credit institution's balance sheet and recorded by name in the chapter 39 accounts, which are specifically identified for this purpose. This entry constitutes both proof of the allocation and a guarantee that the provision has not been subsequently reversed.

36. Failure to comply with the requirement set out in the above point will result in the unduly deducted loss being added back to the taxable income for corporation tax purposes.

37. The provisions set out above apply to provisions recorded in the accounts as from the financial year ending 31 December 2025.

1.6 **Section 7-E. - Reinforcement of the conditions for deducting provisions for doubtful loans and commitments of credit and microfinance institutions**

38. The amendment to Section 7-E of the General Tax Code introduces a substantial condition for the deductibility of provisions for doubtful debts and commitments set aside by credit and microfinance institutions.

39. Therefore, from 1 January 2025, the deductibility these provisions is subject to the certification of the debtor's financial statements by an auditor, when the amount of the doubtful debt or commitment, for a given year, is equal to or greater than fifty million (50,000,000) CFA francs.



a. **Scope of the measure**

i. **Entity granting the credit**

40. This measure applies :

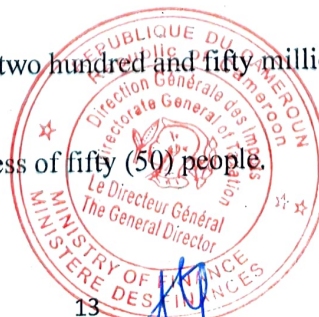
- credit institutions, i.e. banks and financial institutions;
- payment institutions ;
- first, second and third microfinance institutions.

ii. **Beneficiary of the credit**

41. The new provisions of section 7 E of the GTC oblige banking and microfinance institutions to require entities applying for credit to financial statements duly certified by an auditor.

42. The following are covered by this requirement for certification of financial statements by an auditor, in accordance with the provisions of the Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups (AUSGTCE), Uniform Act relating to the Law on Cooperative Societies and Uniform Act relating to the Accounting System for Non-profit Entities (SYCEBNL):

- Public limited companies (section 702 of the AUSCGIE);
- Sociétés en Nom Collectif that meet two of the following conditions at the end of the financial year (section 289-1 of the AUSCGIE):
  - balance sheet total in excess of two hundred and fifty million (250,000,000) CFA francs;
  - annual turnover in excess of five hundred million (500,000,000) CFA francs;
  - permanent workforce in excess of fifty (50) people.
- Sociétés à Responsabilité Limitée (Limited Liability Companies) which, at the end of financial , meet two of the following conditions (section 376 of the AUSCGIE):
  - balance sheet total excess of one hundred and twenty-five million (125,000,000) CFA francs;
  - annual turnover in excess of two hundred and fifty million (250,000,000) CFA francs;
  - permanent workforce in excess of fifty (50) people.
- Sociétés par Actions Simplifiées that meet two of the following conditions at the end of the financial year (section 853-13 of the AUSCGIE):
  - balance sheet total excess of one hundred and twenty-five million (125,000,000) CFA francs;
  - annual turnover in excess of two hundred and fifty million (250,000,000) CFA francs;
  - permanent workforce in excess of fifty (50) people.



- Sociétés par Actions Simplifiées (simplified joint stock companies) which control, within the meaning of section 174 of the AUSCGIE, one or more companies, or which are controlled by one or more companies (section 853- 13, paragraph 4);
  - Cooperative societies (section 121 of the Uniform Act relating to the law on cooperative societies), cooperative societies with a board of directors where they meet the following conditions:
    - the total number members exceeds one thousand (1,000) ;
    - sales in excess of one hundred million (100,000,000) ;
    - total assets in excess of five million (5,000,000).
  - Not-for-profit entities with a balance sheet total in excess of CFA F 100 million or annual resources in excess of CFA F 200 million or a permanent workforce in excess of 20 people (section 19 of Uniform Act relating to the accounting system for not-for-profit entities (SYCEBNL)).
43. Entities that have no legal obligation to certify their financial statements are not covered by this measure.

**b. Financial statements concerned**

44. Pursuant to section 4(3) of Law no. 2019/021 of 24 December 2019 laying down certain rules relating credit activity in the banking and microfinance sectors in Cameroon, any legal entity applying for credit from a reporting institution is required to provide financial statements for the last two financial years for which the accounts have been closed.
45. Where the applicant legal entity is subject to the certification of its financial statements under an OHADA Uniform Act, credit is granted on the basis of the financial statements duly certified by its auditor.
46. The financial statements to be provided are those for the last two financial years preceding the year of the credit application.

**c. Threshold for application of the measure**

47. The requirement to certify the financial statements applies when the cumulative amount of doubtful debts or commitments held on the same debtor, in respect of loans granted during the course of a year, reaches the threshold of fifty million (50,000,000) CFA francs.
48. It should be noted that this threshold of fifty million (50,000,000) CFA francs is assessed by taking into account the cumulative amount of all claims or commitments relating to the same debtor, in respect of loans received during a given year. This threshold does not include interest.
49. In other words, even if no individual debt or commitment exceeds this threshold, certification of the debtor's financial statements becomes compulsory as soon as the total sum of accumulated debts or commitments on this debtor reaches fifty million (50,000,000) CFA francs, in respect of one year.



### Practical illustration:

#### **Case 1: threshold reached**

Credit or microfinance institution A holds the following receivables from company B, all resulting from loans granted to company B during financial year N :

- Claim 1: FCFA 20,000,000
- Claim 2: FCFA 15,000,000
- Debt 3: FCFA 25,000,000
- Total amount receivable:  $20,000,000 + 15,000,000 + 25,000,000 = \text{FCFA } 60,000,000$ .
- Since the cumulative amount exceeds FCFA 50,000,000, certification of Company B's financial statements becomes mandatory for the deduction of provisions on these receivables.

#### **Case 2: threshold not reached**

If the loans held by credit or microfinance institution A, in respect loans granted during financial year N, were as follows :

- Claim 1: FCFA 20,000,000
- Claim 2: FCFA 10,000,000
- Debt 3: FCFA 15,000,000
- Total amount receivable:  $20,000,000 + 10,000,000 + 15,000,000 = 45,000,000 \text{ FCFA}$ .
- In this case, the total remains below the FCFA 50,000,000 threshold. Certification of Company B's financial statements is therefore not required in this case to ensure the deduction of provisions for doubtful debts set aside by the credit or microfinance institution.

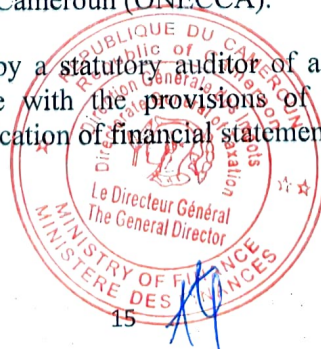
50. Credit and microfinance institutions must in place rigorous monitoring of receivables and commitments by debtor, using tools that enable :

- identification of receivables by amount and date of birth ;
- real-time calculation cumulative receivables held by each company in respect loans granted during a given financial year.

#### **d. Type of certification required**

51. The deduction of the provision for doubtful debts is conditional on the presentation, by credit or microfinance institution, of the debtor's financial statements accompanied by the annual general report certifying these financial statements signed by an auditor registered on the roll of the Ordre National des Experts Comptables du Cameroun (ONECCA).

52. Certification means the issue by a statutory auditor of a general report on the financial statements drawn up in accordance with the provisions of the OHADA Uniform Act on commercial company law. The certification of financial statements must be a



certification without reservation or with reservations that do not affect the reliability of the information relating to the debtor's solvency. An unfavourable opinion or an inability express an opinion on the financial statements automatically results in the non-deductibility of the provision.

**c. Miscellaneous and transitional provisions**

53. Credit and microfinance institutions are required to keep the following supporting documents in support of their accounts for the entire period not covered by the statute of limitations:

- a copy of the financial statements and the certification report of the debtor's auditor for receivables and commitments of FCFA fifty million (50 000 000) or more;
- any documentary evidence of the doubtful nature of the debt or commitment (*account statements, reminder letters, formal notices, etc.*);
- proof of compliance with the regulatory provisions relating to the classification and provisioning of loans and commitments specific to each category of institution.

54. During tax audits, tax officials are entitled to check compliance with the conditions for deducting provisions for doubtful debts and commitments, as defined in this circular.

55. Failure to produce the financial statements accompanied by the certification report of the debtor's auditor, where these are required, or the production of financial statements with an unfavourable opinion or an inability express an , shall result in the reinstatement, in the taxable income of the credit or microfinance institution, of the corresponding provision as well as the reminder of the IS and IRCM.

56. The provisions of this circular are applicable to provisions recorded in the accounts of financial years beginning on or after 1<sup>st</sup> January 2025 in respect of receivables arising in 2025, for which the cumulative amount outstanding is at least FCFA 50 million.

**1.7 Section 8a. - Clarification of formal invoicing requirements for deductibility of expenses**

57. Section 8 bis of the General Tax Code, as previously drafted, excluded from deductibility for the purposes of calculating taxable income, expenses supported by invoices that did not include an NIU and those issued outside the electronic invoice tracking system. However, it did not explicitly specify the formal requirements for such invoicing.

58. The amendment made to the second paragraph of this section by the Finance Act 2025 clarifies the formal invoicing requirements for the deductibility expenses for corporation tax purposes.

59. In order to be deducted from taxable income subject to corporation tax, expenses incurred by companies must include all the compulsory information set out in section 150 of the General Tax Code governing the obligations of taxable persons subject to VAT.





60. For the record, these references are as follows:

**a. Identification of the parties :**

- unique supplier and customer identification ;
- the name or company name as mentioned on the Trade Register or, the full address or location map provided to the DGI for drawing up its registration certificate and the supplier's Trade Register number;
- the customer's full identity, including name or company name as shown on the trade register, or the location map supplied to the DGI for the purpose of drawing up its registration certificate.

**b. Information about the transaction :**

- the date of issue of the invoice ;
- the nature, purpose and details of the transaction carried out: by details of the transaction, we mean an explanation that provides a clear understanding of the purpose of the transaction, the quantity, the precise name, the wording and the exact nature of the operation;
- the price (excluding VAT) of the goods or services supplied ;
- the rate and amount VAT applicable, if any ;
- any rebates, discounts, refunds or discounts earned and quantifiable at the time of the transaction and directly linked to the transaction;
- the rate and amount of the advance payment of income tax or TSR to be deducted at source, where applicable;
- the net amount payable ;
- the total amount due by the customer, including all taxes

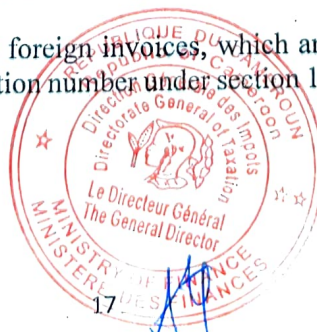
**c. Specific information :**

- the words "Exonérée" or "Prise en charge État", where applicable ;
- a unique invoice number based a continuous chronological sequence.

61. Failure to comply with the formal invoicing requirements set out in this circular will result in the corresponding charges being added back to the company's taxable income and, consequently, the payment of the corporation tax and the IRCM.

62. However, failure to mention the trade register number does not result in the non-deductibility of the charge paid to Non-Profit Organisations (NPOs) and non-professional taxpayers. On the other hand, in the case of NPOs, their invoices must mention the number registered with the relevant administrative authority.

63. This provision does not apply to foreign invoices, which are not required to include VAT and a unique foreign supplier identification number under section 143-1b of the General Tax Code.



64. This provision, the sole purpose of which is to clarify the formal invoicing requirements already in force, applies to expenses booked and results for the financial year ending 31 December 2024.

#### **1.8 Section 8 ter. - Non-deductibility of disbursements relating to transactions with entities located in tax havens**

65. Section 8 ter of the General Tax Code, as amended by the Finance Act 2025, clarifies the non-deductibility of expenses incurred in transactions with entities located in tax havens.

66. Under the new provisions introduced in Section 8 ter, disbursements, like remuneration paid in connection with transactions involving entities established or domiciled in territories or states classified as tax havens, are now expressly excluded from tax deductibility when determining the basis of assessment corporation tax (IS) and personal income tax (PIT).

67. Disbursements are sums advanced by a person (natural or legal) on behalf of a third party as part of a transaction.

These sums, which correspond to expenses incurred in the name of and on behalf of the customer, are billed back to the customer in full "franc for franc".

68. For the record, within the meaning of Section 8 ter (3) of the GTC, the following are considered to be tax havens:

- a State or territory where the rate of tax on profits or income is less than one third of that levied in Cameroon;
- or a state or territory considered uncooperative in terms of transparency and exchange of information for tax purposes by the relevant international bodies, in particular the OECD and the Global Forum on Transparency and Exchange of Information for Tax Purposes.

69. The disbursements referred to in Section 8 ter of the GTC must therefore be reintegrated into the taxable income of the Cameroonian entity for the purposes of calculating corporation tax and the IRCM.

70. As this is a simple clarification measure, it applies to expenses recognised and results for the financial year ending 31 December 2024.

#### **1.9 Section 17b - Application of standard rates to tax reassessments relating to special schemes**

71. The new Section 17 ter of the General Tax Code, introduced by the Finance Act for year 2025, makes tax adjustments made to companies benefiting from reduced rates or an exceptional tax regime subject to the standard rate of corporation tax (IS), in the event of fraud or improper use of the tax concessions granted.



a. **Scope application**

i. **Companies concerned**

72. This applies to all companies, whether individuals or legal entities, that benefit a special or exceptional tax regime granting them a reduced rate corporation tax or personal income tax compared with the standard rate, as set out in the General Tax Code.

ii. **Conditions for application of the standard rate**

73. The application of the standard rate to adjustments is subject to the establishment of :

- **fraud:** defined in sections L 107 et seq. of the Manual of Tax Procedures (MTP), this includes any manoeuvre, concealment or deliberate omission designed to evade tax. The penalties applicable in the event of fraud are set out section L 108 of the MTP;
- **improper use of tax facilities:** use of the tax benefits granted under the or exceptional regime in breach of the conditions expressly laid down by the texts establishing the said regime or the stipulations of the establishment agreement, where applicable.

By way of illustration, a company operating in an industrial free zone and failing to comply with export obligations set out in the scheme would be subject to the standard rate of tax on any adjustments arising from this failure.

b. **Methods of implementation**

i. **Observation of fraud or improper use**

74. In accordance with section 17 ter (2) of the General Tax Code, any fraud or non-compliant use of tax facilities must be recorded in an official report (PV).

ii. **Drawing up the minutes :**

75. The report, a model of which is appended to this circular, drawn up by the competent tax inspector and signed by both parties (the tax inspector and the company representative or the taxpayer), must :

- clearly identify the company and its legal representative;
- give a precise description of the facts constituting the fraud or , referring to the relevant legal and regulatory provisions (texts establishing the derogation, establishment agreement, etc.);
- mention the special or exceptional tax regime applicable and the legislation establishing it;
- indicate the grounds for the adjustment and the legal basis (Sections 17 and 17 bis of the GTC) justifying the application of the standard rate;
- mention refusal by the taxpayer to sign.



### iii. Application of standard rates

76. Tax reassessments are subject to the standard rates of corporation tax (IS) or personal income tax (PIT), as set out in sections 17 and 17 bCIT of the General Tax Code (CGI).

77. In addition, interest for late payment and penalties for bad faith will be applied in accordance with sections L 95 and L 96 of the CGI.

#### c. Miscellaneous and transitional provisions

78. The provisions of section 17 ter of the GTC apply to tax audits commenced <sup>on</sup> or after 1 January 2025.

79. Before applying the standard rate, the operational departments may request the opinion of the structure responsible for monitoring the derogation schemes. This request for an opinion must be formally addressed to the Director General of Taxes (DGI). The structure responsible special arrangements then has a period of forty-eight days in which to respond to the request. (48) hours to issue its reasoned opinion.

#### 1.10 Section 21 (1-d). - Extension of the margin payment scheme to simplified scheme companies

80. Section 21 (1-d) of the 2025 Finance Law broadens the scope of application of the advance payment system for distribution companies, by making taxpayers covered by the simplified taxation system subject to the system.

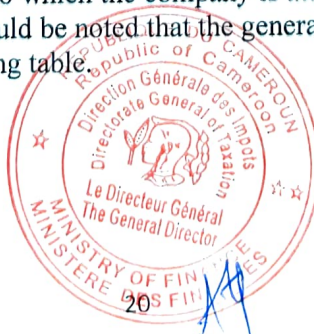
81. This extension of the advance payment scheme applies to simplified scheme taxpayers operating in the following sectors of activity:

- distribution of petroleum products and domestic gas;
- distribution milling products ;
- distribution of pharmaceutical products ;
- distribution press products ;
- fertiliser distribution.

82. For taxpayers covered by the simplified system and operating in the above-mentioned sectors, the advance payment is calculated at a rate of 14% applied to the gross margin, plus 10% for additional municipal levies, giving an effective rate of 15.4%.

83. Notwithstanding the fact that they are subject to the advance payment system, taxpayers in sectors with an administered margin, including those covered by the simplified taxation system, retain the option of opting for the ordinary law system where this is more favourable to them. In this case, the advance payment is determined by applying the 5.5% rate to turnover.

84. The option to opt for the standard tax regime is made by express declaration in a simple letter sent to the Head of the Tax Centre to which the company is attached, no later than 31 January of the financial year in question. It should be noted that the general guidelines relating to exercise of this option are set out in the following table.



option are specified in Circular No. 0000003/MINFI/DGI/LRI/L of 15 January 2018 implementing Law No. 2017/021 of 20 December 2017 on the 2018 Finance Law.

85. These provisions apply from 1<sup>st</sup> January 2025. They are automatically repealed as soon as the new Synthetic General Tax regime comes into force.

**1.11 Sections 21 (2), 87, 92 bis. - Selective authorisation for non-profit organisations to deduct the advance payment of income tax at source**

86. Since the Finance Act for 2024 financial year came into force, all not-for-profit organisations (NPOs) have been entitled by operation of law to withhold the advance payment of income tax (IR) on payments made to their service providers and suppliers.

87. The 2025 Finance Law, amending Sections 21(2), 87 and 92 bis of the General Tax Code, introduces a selective authorisation regime for the aforementioned entities.

88. Therefore, as from 1 January 2025, the authorisation of NPOs to deduct the advance payment of income tax at source is subject to their inclusion on a list defined by order of the Minister of Finance. This authorisation is issued under the same conditions as those applicable to private sector companies, publicly-owned companies and semi-public companies.

89. Non-authorized NPOs are required to pay their service providers and suppliers inclusive of all taxes. It is the responsibility of the latter to declare and pay the corresponding tax to their local tax office, in accordance with the provisions of the General Tax Code.

**1.12 Section 36 (4). - Clarification of the tax treatment of uninvested profits and expenses paid in cash in an amount equal to or greater than FCFA 100,000**

90. In accordance with Section 36 (4) of the General Tax Code, as amended by the Finance Act for the financial year 2025, expenses of one hundred thousand (100,000) CFA francs or more paid in cash, irrespective of the period over which they are incurred, are deemed to be distributed income.

91. Consequently, the classification as distributed income of expenses paid in cash in an amount equal to or greater than FCFA 100,000 entails their reintegration into the company's taxable income and the payment of corporation tax and IRCM.

92. This amendment applies from 1 January 2025.

**1.13 Section 46. - Extension of the scope of property capital gains tax to sales by non-trading property companies (Sociétés Civiles Immobilières - SCI)**

93. Under terms of Section 46 of the General Tax Code, as amended by the 2025 Finance Law, capital gains arising from the sale of property by non-trading property companies (Sociétés Civiles Immobilières - SCIs) are now subject to personal income tax.

**a. Scope**



94. This applies automatically to all SCIs, regardless of their legal form or tax regime. This applies to both SCIs that have to be subject corporation tax (IS) and those that have not done so. SCIs that have a commercial object and activity within the meaning of section 3 of the GTC are also concerned.

**b. Taxable transactions**

95. This measure expressly covers capital gains on the sale for valuable consideration of built or property, as well as capital gains on the sale of real property rights (usufruct, bare ownership, easements, etc.) by SCIs.

**c. Tax assessment and collection**

96. Capital gains tax payable by SCIs is calculated and collected by means of a flat-rate withholding tax, which must be deducted by the notary who draws up the deed of sale.

97. As a reminder, under the provisions Section 90 of the GTC, the tax rate applicable to capital gains on property realised by SCIs is set at 5% of the amount of the net taxable capital gain. This rate is increased to 10% for cash transactions.

98. The procedures for determining the taxable capital gain remain governed by the provisions of Section 48(3) of the GTC, as clarified by Circular No. 001/MINFI/DGI/LRI/L of 12 January 2017 on application of the tax provisions Law No. 2016/018 of 14 December 2016 enacting the Finance Law of the Republic of Cameroon for the 2017 financial year.

**d. Fate tax on capital gains deducted**

99. The capital gains tax collected by the notary is deductible from the income tax payable by the non-trading property company.

**e. Entry into force**

100. These provisions apply to sales of property or rights in rem in immovable property by SCIs and recorded as from 1<sup>st</sup> January 2025, regardless of the date on which the taxable event occurs.

**1.14 Sections 56(2) and 69(3). - Extension of the scope of the 11% withholding tax to remuneration for services of any kind paid to taxpayers covered by the scheme for non-professional taxpayers**

101. Until 31 December 2024, the 11% withholding tax on non-commercial income, provided for by sections 56(2) and 69(3) of the GTC, only applied to remuneration paid by public bodies in the form of non-statutory gratuities or bonuses. This provision de facto excluded individual consultants not incorporated as companies and employees receiving non-commercial income from private entities.

102. From 1 January 2025, the 11% withholding tax will apply to all remuneration paid to persons covered by the non-professional taxpayer regime, regardless of the nature of the entity paying the remuneration (public or private).



**a. Scope application**

103. As a reminder, under the scheme for non-professional taxpayers set out in Section 93 undecies of the GTC, people who receive income exclusively from salaries, wages, pensions, life annuities, and/or income from transferable securities and property income, and in general any passive income.

104. It should be remembered that the receipt of non-trading income, even incidental, by a taxpayer covered by the non-professional regime entails the application of the 11% withholding tax on this income.

**b. Withholding arrangements and obligations of paying entities**

105. In accordance with Section 92 ter of the GTC, the entity paying the non-commercial income is required to withhold 11% at source. This sum must be paid to the relevant tax office by the 15th of the month following payment.

106. The paying entity is required to provide the beneficiary with a withholding tax certificate, which must be generated by the Directorate General of Taxes' IT system.

**c. Miscellaneous and transitional provisions**

107. The IT Division and the Reform Division of the Directorate General of Taxes are jointly responsible for implementing the IT developments required to enable the online generation of withholding tax certificates from the DGI's information system.

108. These new provisions apply to income paid from 1<sup>st</sup> January 2025, including income relating to services provided during previous financial years.

**1.15 Section 70 (1) - Upward revision of the capital gains tax rate applicable to passive income paid to persons domiciled or established in a tax haven**

109. The amendment introduced by Section 70(1) of the GTC enshrines the application of an IRCM rate of 30% for passive income, including income from property, when paid to a beneficiary domiciled or established in a tax haven.

**a. Targeted passive income**

110. For the purposes of this measure, passive income means any income from capital, including in particular :

- income from transferable securities (dividends, interest, etc.) as referred to section 35 et seq. of the GTC;
- income from property (rental income, income from subletting, etc.) as referred to in section 46 et seq. of the GTC;
- non-commercial profits (income from intellectual and industrial property (copyright, royalties from patents, , etc.), as referred to in section 46 et seq. of the GTC.



**b. Persons concerned and identification of domicile or establishment in a tax haven**

111. To determine whether a person is domiciled or established in a tax haven, the following criteria should be applied, as appropriate:

• **For individuals:**

- **Ordinary residence:** the place where the individual has his permanent home or, failing that, the place where he has his main place of residence.
- **Centre of vital interests:** the place with which the person has the closest personal and economic ties. This family and social ties, professional occupations, political, cultural or other activities, the place of business and the place where property is administered.

• **For legal entities:**

- **Registered office:** the place where the effective centre of management of the legal entity is located, i.e. the place where strategic decisions relating to the management of the company are taken.
- **Permanent establishment:** within the meaning of international tax treaties and administrative practice, this is a fixed place of business through which a company carries on all or part of its business.

112. Notwithstanding the criteria for determining domicile or establishment set out above, the rate also applies when passive income from Cameroonian sources is paid into a bank account, or by any equivalent payment instrument, opened in a State or territory considered to be a tax haven within the meaning of Section 8 ter of the GTC, regardless of the place of domicile or establishment of the declared beneficiary.

113. It is up to the taxpayer to prove, where applicable, that the account holder or the beneficial owner of the funds is not domiciled or established in a State or territory considered to be a tax haven. Otherwise, the 30% rate will be applied.

**c. Methods of implementation**

114. The rate of 30% applies to the gross amount of passive income, including any mark-up, bonus or similar product linked to this income, before any deduction or credit.

115. An individual or legal entity established in Cameroon who pays passive income to a beneficiary located in a State or territory considered to be a tax haven must withhold the IRCM at a rate of 30%, declare it and pay it to the Public Treasury.

116. Taxpayers are required to declare separately passive income paid to beneficiaries located in tax havens, specifying the state or territory in which the beneficiary is domiciled or established.

117. Where passive income is paid to several beneficiaries, the income paid to each beneficiary should be broken down and the 30% rate applied only to income paid to beneficiaries domiciled or established in a tax haven.





118. The tax authorities are entitled to ask the taxpayer to produce any document proving that the beneficiary of the income is domiciled or established (certificate of tax residence, company incorporation documents, etc.).

119. In the absence of convincing proof within the time limit set by the tax authorities, the application of the 30% rate is confirmed and late payment penalties may be applied in accordance with the provisions of the Book of Tax Procedures.

**d. Date entry into force**

120. This provision applies to passive income paid on or after 1<sup>st</sup> January 2025, regardless of the date on which the contract or agreement under which the income is paid was entered into.

**1.16 Section 70 (2). - Reduction in the rate of tax on income from movable capital (IRCM) for dividends regularly distributed by SMEs**

121. Section 70(2) of the General Tax Code, as amended by the 2025 Finance Law, introduces a reduced IRCM rate of 10% for dividends regularly distributed by small and medium-sized enterprises (SMEs).

**a. Eligible companies**

122. The reduced rate IRCM applies to dividends distributed by companies whose annual turnover (excluding tax) for financial year in which the dividend is distributed is less than or equal to three million euros.

(3) billion CFA francs. This condition is assessed at the level of the distributing company, regardless of whether it belongs to a group.

**b. Dividends concerned: the concept of "regularly distributed dividends"**

123. The reduced rate of IRCM applies exclusively to "regularly distributed" dividends. For a dividend distribution to be considered regular, the following cumulative conditions must be met:

- i. ***existence of distributable sums***: the distribution must relate to distributable profits, as defined by the legislation in force, in particular the OHADA Uniform Act relating to the law on commercial companies and economic interest groups or the accounting rules applicable to the distributing entity. In principle, this is the profit for financial year, less previous losses and sums transferred to reserves pursuant to the law or the Sections of Association, plus retained earnings. It may also consist solely of the distribution of reserves not considered to be unavailable for distribution.
- ii. ***decision by the competent body***: the distribution of dividends must be result of a decision by the competent corporate body, which is, in principle, the Ordinary General Meeting of shareholders or members. This decision must be taken in the form and within the time limits laid down by law and the company's sections of association;
- iii. ***compliance with legal and statutory formalities***: the distribution decision must comply with all the formalities prescribed by law and the Sections of Association, in particular with regard to the convening of the meeting, the rules governing quorum and majority, the date on which the decision to distribute the shares is taken and the date on which the decision to distribute the shares is made.



payment of dividends, as well as the terms and conditions of their payment. The decision to distribute dividends must be recorded in the minutes of the Annual General Meeting;

- iv. **effective distribution:** dividends must actually be paid to shareholders or members within the legal or statutory period, which may not exceed nine (9) months after the end of the financial year, unless an extension is obtained in court.

124. The following are not for the reduced rate:

- i. partial dividends, which represent an advance on the future dividend, are not a regular distribution because it is not yet certain that the dividend will actually be distributed at the end of the financial year;
- ii. irregular distributions, which are subject to the standard rate, without prejudice to the penalties applicable elsewhere. Irregular distributions include distributions made in breach of legal or statutory rules, such as :
- notional dividends, i.e. dividends not paid out of distributable profits;
  - distributions decided by an incompetent body ;
  - distributions made without complying with the quorum or majority rules;
  - distributions not duly recorded; and
  - failure to pay dividends time.

125. It should be noted that dividends distributed to beneficiaries domiciled or established in a tax haven within meaning of Section 8 ter of the GTC, are subject to the 30% rate accordance with Section 70, paragraph 1, of the GTC, as commented on above.

126. The tax authorities should pay particular attention to the legality of dividend distributions claiming the benefit of the reduced rate. If there is any doubt about the legality of a distribution, the company making the distribution may be asked to produce any useful documents, such as the minutes of the general meeting, the company's sections of association, accounting documents, etc.

127. If the distribution is deemed to be irregular, not only will standard rate of IRCM be applied, but also, where applicable, the company will be subject to tax penalties.

**c. Entry into force**

128. The provisions of Section 70 (2), as commented on in this circular, apply to dividends distributed as from 1<sup>st</sup> January 2025.

**1.17 Sections 74 bis (1) and 579. - Reorganisation of reporting deadlines for non-professional taxpayers**

129. Before the Finance Act 2025 came into force, non-business taxpayers were required to file their annual personal income tax and property tax returns by 30 June each year.



130. Section 74 bis of the GTC, amended by the 2025 Finance Law, now specifies three separate deadlines, depending on the category to which the taxpayer belongs:

a. **At 31 July each year :**

- **senior citizens:** this category concerns taxpayers appearing on the list established by a specific text issued by the Minister of Finance. The Division in charge of tax legislation is responsible for updating this list;
- **employees in the public and semi-public sector:** this category covers individuals receiving salaries and wages paid by the State, decentralised local authorities, public establishments and public and semi-public sector companies.

b. **At 30 September each year :**

- **employees of private sector taxpayers who come under the Department of Large Companies, the Tax Centres for Medium-sized Companies and the Specialised Tax Centres:** this category concerns individuals who receive salaries and wages paid by companies that come under the portfolio of the aforementioned structures, with the exception of those of public establishments, public companies and the CTDs.

c. **At 31 October each year :**

- **other individuals:** this category includes all other non-professional taxpayers who do not fall into the categories referred to in points a and b above, in particular :
  - recipients of income from property, income from transferable securities or other passive income who are not salaried employees;
  - pensioners and recipients of pensions or life annuities, for their other sources of income other than pensions;
  - non-residents receiving income from Cameroonian sources or owning property located in Cameroon.

131. Membership of one of these categories is assessed by reference to the taxpayer file published on the DGI website.

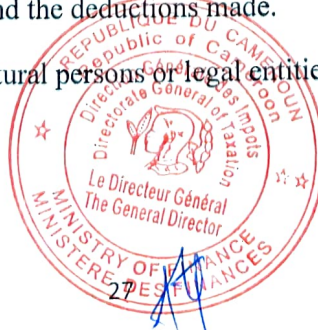
132. Taxpayers are therefore urged to adhere strictly to these new deadlines, failing which they will be subject to the penalties and interest for late payment set out in the GTC.

133. Declarations relating to the year 2024 or any subsequent period will therefore have to comply with the amended deadlines set out above.

**1.18 Sections 74 bis (5) and L 104 - Introduction a requirement for non-professional taxpayers to submit a recapitulative statement of income**

134. A new paragraph (5) has been added to Section 74 bis of the General Tax Code (GTC), requiring any person who pays income to non-professional taxpayers to provide them with a detailed summary statement of the sums paid and the deductions made.

135. This obligation applies to all natural persons or legal entities under



private or public law, which pay the income referred to in first paragraph of section 74, non-professional taxpayers. These are in particular :

- employers, for salaries, wages, allowances, emoluments, etc. ;
- debtors of life annuities ;
- financial institutions, companies and all enterprises for income from transferable securities;
- professional lessees, for rents paid to non-professional lessors ;
- any entity paying passive income.

136. The summary statement must be sent to the recipients of the income by 15 March each year at the latest, for income paid during the previous calendar year.

137. The recapitulative statement must give details of all the earnings and remuneration paid to the beneficiary during the previous calendar year, together with details of the tax deducted at source on these sums.

138. It must include *at least* the following elements:

- the total amount of each category of income paid ;
- details of deductions at source (amounts withheld) ;
- the identity of the beneficiary (surname, first names, NIU, telephone number, ID card number).

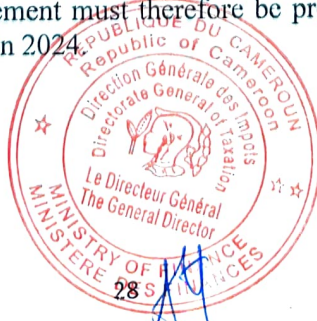
139. A model summary statement will be proposed by the tax authorities and made available on their website.

140. The summary statement must be sent in paper or electronic form, provided that the accuracy and integrity of the information is guaranteed. The paying party is required to keep a copy of this statement and any necessary supporting documents. The tax authorities may at any time request that the statement be produced in order to verify compliance with the reporting obligations.

141. Failure to comply with the obligation to provide the recapitulative statement or the provision of an incomplete or inaccurate statement exposes the debtor of the income (the paying party) to the penalties provided for in section L 104 of the MTP. This provision provides for a fixed fine of up to five million (5,000,000) CFA francs for each recapitulative statement that is missing or filed out of time. This fine is applied after formal notice to rectify the situation has gone unheeded.

142. These penalties are applied cumulatively for each omitted or non-compliant recapitulative statement. The tax authorities retain the right to carry out checks to ensure declarations are in order and, in the event of fraud or inaccurate declarations, to make the necessary adjustments.

143. The provisions of section 74 bis (5), as explained in this circular, come into force on 1<sup>st</sup> January 2025. The recapitulative statement must therefore be provided for the first time no later than 15 March 2025, for income paid in 2024.



## **1.19 Section 85 - Clarification of the procedures for deduction at source and repayment of the IRCM by branches**

144. Prior to the amendment introduced by the Finance Act for the 2025 financial year, the GTC did not specify the date on which profits deemed to be distributed, within the meaning of last paragraph of Section 36 of the GTC by foreign companies that do not have their domicile or registered office in Cameroon, were deemed to have been made available to the beneficiaries. This applies to income from Cameroon branches of foreign companies, income from permanent establishments of foreign companies in Cameroon, etc.

### **a. General principles**

145. Henceforth, Section 85 (3), in its new wording, aligns the regime of these foreign companies not domiciled in Cameroon with that of resident companies. Accordingly, the profits of the foreign companies referred to in Section 36(3) are deemed to be made available to the beneficiaries within nine (9) months of the end of the financial year.

146. This nine (9) month period runs from the end of the financial year. It is mandatory and applies even if the foreign company is not obliged to pay dividends within this period in its country of residence. This provision applies subject to the clauses of the double taxation agreements in force.

147. It should be noted that this provision does not apply to profits made by the Cameroonian subsidiaries of foreign companies, given that these subsidiaries are in fact separate companies from their parent company and are therefore domiciled in Cameroon. In such cases, profits are not deemed to be distributed within the meaning of Section 36(3) of the GTC. The payment of IRCM is applicable in the event of the payment of a dividend decided following the holding of an Ordinary General Meeting in due and proper form deciding on the distribution of dividends due to the existence of distributable profits.

148. It is understood that this measure has no impact the liability for the balance of corporation tax, which remains fixed at the time the DSF is filed.

### **b. Repayment tax deducted at source**

149. The Cameroonian branch or, more generally, the permanent establishment of the foreign company is responsible for calculating, withholding and remitting IRCM due profits deemed to be distributed to its tax centre.

150. The permanent establishment is required to generate a withholding tax certificate from the tax authorities' IT system, even if the profits are not actually transferred to the head office. This certificate constitutes proof of the deduction made and must be kept by the permanent establishment.

### **Case studies**

- ABC Ltd, a company domiciled on *Treasure Island* (a tax haven within meaning of Section 8 ter of the General Tax Code), has a permanent establishment in Cameroon.
- For the financial year ending 31 December 2025, the permanent establishment makes a taxable profit of FCFA 100,000,000.



- Pursuant Section 36(3), such profits are deemed to be distributed to beneficiaries who do not have their domicile or registered office in Cameroon.
- Pursuant to Section 85(3), this benefit is deemed to be made available to beneficiaries on 30 September 2026 (9 months after 31 December 2025).
- The permanent establishment must :
  - i. Calculate the personal income tax due: FCFA 100,000,000 x 30% (rate applicable to beneficiaries domiciled in a tax haven) = FCFA 30,000,000.
  - ii. of personal income tax at source no later than 30 September 2026.
  - iii. Pay the PIT to the relevant tax office no later than 15 October 2026 (15 days after 30 September 2026).
  - iv. Generate a withholding tax certificate FCFA 30,000,000.

**c. Entry into force**

151. The provisions Section 85(3) of the GTC, as amended by the 2025 Finance Law and commented on in this circular, come into force as from 1<sup>st</sup>  
January 2025.

**1.20 Section 93 - Reorganisation of reporting obligations for the transport sector**

152. Until it was repealed by the 2025 Finance Act, section 93 of the General Tax Code (GTC) stipulated that the tax due by hauliers had to be paid within fifteen days of the date of the tax assessment.

(15) days following the end of each quarter, by means of a form indicating in particular the taxpayer's full identity.

153. deletion of section 93 takes effect from 1<sup>st</sup> January 2025.

**2 CHANGES TO INCENTIVE MEASURES**

**2.1 Sections 115 and 116 - Rationalisation of the tax system for externally or jointly financed contracts**

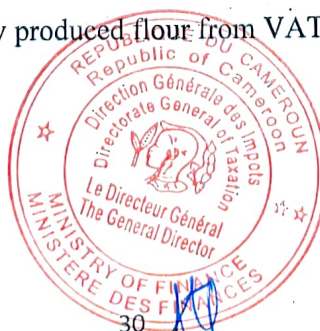
154. The new Section 115 of the General Tax Code lays down the rule for the evaluation and conclusion of externally or jointly financed public contracts inclusive of all taxes. It also defines the rules applicable to duties and taxes, in particular Value Added Tax (VAT).

155. The procedures for implementing these provisions will be out in a separate circular.

**3 CHANGES RELATING TO VALUE ADDED TAX AND EXCISE DUTY**

**3.1 Section 128 (6) VAT exemption on locally produced flour**

156. Section 128 (6) exempts locally produced flour from VAT, including in particular :



- corn flour ;
- corn bran ;
- potato flour ;
- cassava flour.

157. This exemption applies to all sales of locally produced flour by producers, distributors and wholesalers.

158. The provisions relating to this exemption apply to sales made on or after 1<sup>st</sup> January 2025.

### 3.2 Section 131a - Exemption from excise duty for electrically vehicles and motorbikes

159. Section 131 bis (2) of the General Tax Code, amended by the Finance Act 2025, introduces an exemption from excise duty for electrically powered vehicles and motorbikes.

160. The vehicles and motorbikes covered by this exemption are those identified under the following tariff subheadings:

- **8701.24 00 100** : tractors with electric motors ;
- **8702.40 10 100 and 8702.40.20 100** : vehicles for the transport of more than ten persons, with electric motors ;
- **8703.80 10 100 and 8703.80.90 100** : Passenger cars and other vehicles with electric motors ;
- **8704.60 00 100** : goods vehicles with electric motors ;
- **8709.11 00 000** : non-self-propelled electric vehicles ;
- **8711.60 00 000** : motorbikes with electric motors.

161. It should be noted that this exemption applies without distinction of origin to electric vehicles and motorbikes, whether imported or locally produced.

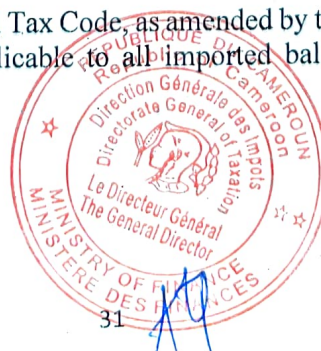
162. The exemption applies only to exclusively electric vehicles and motorbikes that meet the precise characteristics defined by the above-mentioned tariff subheadings. Hybrid vehicles, i.e. vehicles equipped with both an internal combustion engine and an electric motor, are not eligible for this exemption.

163. Exemption from excise duty for electric vehicles and motorbikes applies automatically, without the need to produce a specific exemption certificate.

164. The provisions relating to this exemption apply to transactions carried out on or after 1<sup>st</sup> January 2025.

### 3.3 Section 142 (16-b). - Introduction of excise duty on imported ballpoint pens

165. Section 142 (16-b) of the General Tax Code, as amended by the 2025 Finance Act, introduces an ad valorem excise rate of 12., applicable to all imported ballpoint pens, regardless of their geographical origin or brand.



a. Scope application

166. This provision applies exclusively to ballpoint pens under tariff headings 9608.1000 000 and 9608.30 00 000 and excludes locally manufactured pens. Local production companies are therefore not subject to this tax.

b. Basis and terms of payment

167. Excise duty is levied on the customs value of imported ballpoint pens plus customs duties in accordance with the provisions of Section 138 of the General Tax Code.

168. This duty is assessed and collected by the relevant customs authorities at time of customs clearance. However, in the event of error or omission, the tax authorities are empowered, in accordance with section 140 bis of the General Tax Code, to make any necessary adjustments.

c. Entry into force

169. The provisions relating to excise duty on imported ballpoint pens apply to transactions carried out on or after 1<sup>st</sup> January 2025.

3.4 Section 149 quinquies - Clarification of the procedures for the assessment and repayment of Value Added Tax (VAT) on port operations

170. Section 149 quinquies of the General Tax Code transfers responsibility for collecting VAT on certain categories of services related to port operations to the customs authorities.

171. The procedures for implementing this revenue protection measure will be set out in a separate circular.

4 PROVISIONS RELATING TO THE SPECIAL TAX ON INCOME

4.1 Section 227 - Determination of the taxable amount of the Special Tax on Income (STI) for mixed transactions

172. Section 227 of the General Tax Code, amended by the 2025 finance law, strengthens taxpayers' reporting obligations in order to ensure fair and transparent taxation of STI by specifying the procedures for determining the tax base.

a. Scope application

173. Section 227 of the General Tax Code applies when the acquisition of an asset is inextricably linked to the provision of services by the seller that are necessary to make the asset operational.

174. This includes the following situations:

- **supply and installation of industrial equipment:** acquisition of machine tools, production lines, etc., including installation, assembly, commissioning, adjustment and staff training services;
- **construction of a building with architectural and engineering:** industrial buildings, offices, housing, etc., including architectural studies, technical studies and site supervision;





- **acquisition of vehicles with maintenance and repair services:** construction equipment, aircraft, etc., with maintenance, repair and spare parts services.

**b. Duty to justify - Distinction between the price goods and services**

175. To ensure that the STI is applied correctly, the purchaser must distinguish the value of the asset from that of the ancillary services. The STI will therefore be calculated on the portion of the price relating to the service rendered.

176. The company is required to justify the value of the services used as a basis for calculating the TSR at the time of the inspection, by any means.

**i. Means of justification**

177. The basis for calculating the STI may be substantiated by any documentary evidence, in particular :

- the contract clearly and precisely stipulating the price of the goods and the price of the services. In the case of a framework contract riders or purchase orders may detail the services provided and their cost;
- separate invoices for goods and services, with a detailed description of the services provided;
- technical documents, such as specifications, plans, diagrams and work reports, can be produced to justify the nature and value of the services;
- Exchanges of e-mails, letters or faxes between the purchaser and the supplier may also constitute evidence.

**ii. Burden of proof**

178. The burden of proof lies with the purchaser.

**c. Determination of the tax base - Application of the STI**

179. Where the purchaser produces documentary evidence enabling a distinction to be made between the value of the goods and the value of the services, STI is applied only to the value of the services.

180. If the purchaser does not provide justification, the value of the services is deemed to be equal to 25% of the value of the property. The STI is then calculated on this flat-rate basis.

**Case studies**

A company acquires a turnkey plant for a total of FCFA 80,000,000. The supplier is responsible for installation, configuration and user training.

**- Scenario 1: justification provided**

- The company produced a contract distinguishing between the price of the industrial equipment (CFAF 60,000,000) and the price of the services (CFAF 20,000,000);



- TSR will be calculated on 20,000,000 FCFA.

- **Scenario 2: no justification**

- The company submits an overall invoice of FCFA 80 million, but does not produce any document justifying the breakdown of costs;
- The value of the services is deemed to be equal to 25% of FCFA 80,000,000, i.e. FCFA 20,000,000;
- TSR will be calculated on 20,000,000 FCFA.

181. This measure applies to transactions carried out or after 1 January 2025.

## 5 **PROVISIONS RELATING TO THE TAX ON MONEY TRANSFERS**

### 5.1 **Sections 228b and 228d (3). - Introduction of an additional levy in respect of the tax on money transfers**

182. The 2025 Finance Act introduced a new method of taxing transfers, by introducing, in addition to the existing *ad valorem* tax (0.2% of the amount transferred and withdrawn), a specific tax on each transaction.

#### a. **Scope application**

183. The specific tax applies to all money transfer transactions, whatever the means or medium used, including those carried out by credit and microfinance institutions.

184. The specific tax applies to transactions carried out between a customer, whether an individual or a company, and a financial institution (bank, microfinance, etc.) involving the transfer of funds, securities or financial services. It covers a wide range of transactions, such as transfers, card payments, withdrawals and direct debits.

185. All the transactions mentioned in the point above, whether initiated by individuals or companies, fall within the scope of the specific tax. distinction is made according to the frequency or amount of the transfers.

#### b. **Transactions outside the scope of the specific tax**

186. The following transactions are not covered by the specific tax:

- cash deposits made in an electronic wallet with payment service providers or a bank account;
- transfers of funds to the distribution network and their partners payment service providers;
- transfers for the payment of taxes, duties and fees made to the account of tax collectors or any other public accountant.

#### c. **Rates and collection methods for the specific tax**



187. The rate of the specific tax is set at FCFA 4 per transaction, regardless of the amount transferred. This specific tax is in addition to the 0.2% ad valorem tax provided for by Section 228 quinquies (1) of the GTC. However, for transactions carried out by credit institutions not subject to ad valorem tax, only the flat rate of FCFA 4 is applicable.

### Illustrations

#### ✓ *Transfer via a mobile phone operator*

- For a transfer of **10,000 FCFA** made by a mobile phone operator, the following taxes apply:
  - an *ad valorem* tax of **0.2%, i.e. 20 FCFA** ;
  - a specific tax of **4 FCFA**.

The total amount of ATT applicable to this transaction is therefore **24 FCFA**.

#### ✓ *Transfer by a credit institution*

- For a bank transfer of **FCFA 10,000**, only the specific tax of **FCFA 4** is payable, as the ad valorem tax is excluded for this type of transaction.

188. The specific tax is collected by companies providing money transfer services and by credit and microfinance institutions, then paid into the account of the tax collector at the relevant tax centre by the 15th of each month at the latest. This obligation applies in particular to :

- mobile phone operators (MTN Mobile Money, Orange Money, etc.);
- banking and microfinance institutions;
- companies operating financial services platforms (Yoomee, Express Cash, Sara Money, etc.);
- Companies specialising in money transfers (Express Union, Express Exchange, Western Union, MoneyGram, RIA, Savanna, CAMPOST, etc.).

#### d. Miscellaneous and transitional provisions

189. The modalities of control, declaration and remittance of the tax on money transfers remain those detailed in Circular N°12/MINFI/DGI/LRI/L of 13 July 2022, specifying the modalities of application of the tax provisions of Law N°2021/026 of 16 December 2021 to enact the Finance Law of the Republic of Cameroon for the financial year 2022, as well as Circular No. 004/MINFI/DGI/LRI/L of 20 February 2023, specifying the modalities of application of the tax provisions of Law No. 2022/020 of 27 December 2022 to enact the Finance Law of the Republic of Cameroon for the financial year 2023.

190. Money transfer service providers must set up their IT systems to ensure that the specific tax is collected automatically and transparently, guaranteeing full traceability of transactions subject to taxation.



191. The specific tax on money transfers applies to all taxable transactions carried out from 1<sup>st</sup> January 2025.

**5.2 Section 228 quinquies (1). - Upward revision of the rate of tax on money transfers (TTA) on money transfers or withdrawals made to or from electronic gambling and entertainment platforms**

192. Under the terms of Section 228 quinquies (1) of the General Tax Code, the rate of the Tax on Money Transfers (TTA) applicable to money transfers and withdrawals made to or from gambling platforms is now set at 1%.

**a. Scope application**

193. The Tax on Money Transfers, at a rate of 1% of the amount transferred or withdrawn, applies to transactions carried out to or from gambling businesses. The latter are defined by Law no. 2015/012 of 16 July 2015 establishing the regime for games of amusement and chance and Decree no. 2019/2300/PM of 18 July 2019 specifying the terms and conditions for the application of the said law.

194. The operations concerned include

- deposits and transfers made to an online gaming account from an electronic wallet ;
- withdrawals of winnings from the same accounts.

195. Transfers made to or from gambling companies are subject to a VAT rate of 1%. Other money transfers remain subject to VAT at a rate of 0.2%.

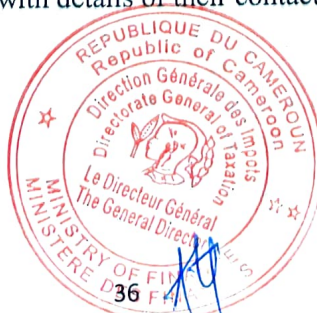
**b. Collection and payment procedures**

196. The tax is collected by the payment service provider at the time of each transaction (transfer or withdrawal), including transactions carried out via a payment aggregator. It is then declared and paid to the tax authorities in accordance with the procedures and deadlines set out in the General Tax Code.

**c. Specific obligations**

197. The obligations of those involved in the ATT are as follows:

- Payment service providers (PSPs) must keep sub-ledger accounts to track :
  - transactions subject to ATT ;
  - amounts collected ;
  - repayments made to the tax authorities.
- Gambling companies are required to send their local tax office a complete list of their payment aggregators, together with details of their contact details.



198. To ensure the traceability and compliance of transactions subject to the ATT, payment service providers must adapt their IT systems to automatically integrate :

- the deduction of ATT on transactions ;
- declaring and paying the tax to the tax authorities.

d. **Miscellaneous and transitional provisions**

199. The above provisions apply from 1<sup>st</sup> January 2025. They apply to all transactions carried out from that date, without exception.

**6 PROVISIONS RELATING TO THE SPECIAL TAX ON PETROLEUM PRODUCTS**

**6.1 Section 231 - Adjustment of the rate of Special Tax on Petroleum Products (TSPP) applicable to natural gas for industrial use**

200. Initially set at 70 FCFA/m<sup>3</sup> by the 2023 Finance Act, then reduced to 60 FCFA/m<sup>3</sup> by the 2024 Finance Act, the TSPP rate applicable to natural gas for industrial use has been revised downwards to 50 FCFA/m<sup>3</sup>.

201. This new rate applies to supplies made from 1<sup>st</sup> January 2025.

202. The procedures for declaration, repayment, control and recovery of the TSPP applicable to natural gas for industrial use remain those specified by circular N°004/MINFI/DGI/LRI/L of 20 February 2023, on the procedures for application of the tax provisions of the Finance Act for the financial year 2023.

203. As a reminder, the deadline for repayment of the TSPP collected by legal taxpayers, in particular SCDP, SONARA, importers of taxable products and companies producing or distributing gas for industrial use, remains set at the 20<sup>th</sup> of the month following the transactions carried out, in accordance with Section 237 of the GTC.

204. Similarly, companies that are actually liable for the TSPP, i.e. companies that obtain petroleum or gas products from SCDP, SONARA or gas production or distribution companies, must pay the TSPP to these structures no later than the 15<sup>th</sup> of the month following the completion of the taxable operations.

**7 PROVISIONS RELATING TO FORESTRY TAXATION**

**7.1 Section 242. - Rationalisation of tree felling tax rates**

205. The 2025 Finance Law amends the provisions of Section 242 of the General Tax Code by introducing a new differentiation in tree felling tax rates, depending on the level of certification of companies or the absence of certification.

a. **New rates applicable**

206. Tree felling tax rates are now set as follows:



- **2.5%**: applicable to forestry companies with sustainable forest management certification;
- **3%**: applicable to forestry companies other forms of certification;
- **5%**: applicable to companies that do not have certification or have lost the validity of their certification.

**b. Eligibility for each rate**

✓ **The reduced rate of 2.5**

**207.** To qualify for the reduced rate of 2.5%, forestry companies must meet all of the following conditions:

- hold certification in sustainable forest management issued by an internationally accredited body, in particular :
  - *Forest Stewardship Council (FSC)*;
  - *Programme for the Endorsement Forest Certification (PEFC)*;
  - *Pan African Forest Certification (PAFC)*.
- provide written proof that the certification, whether awarded by title or to the company, is valid, accompanied by the required supporting documents, in particular :
  - the forest management plan ;
  - periodic audit reports attesting to compliance with certification standards.
- Demonstrate, through regular audits and concrete actions, that the company complies with sustainable forest management standards, in particular with regard to the preservation of biodiversity, forest regeneration and the sustainability of ecosystems;
- carry out their activities in strict compliance with national forestry laws and regulations, including provisions relating to the management of natural resources, environmental protection and reporting obligations.

**208.** It is important to distinguish sustainable forest management certification from other forms of certification that may exist in the forestry sector, such as :

- legality certification, which attests that the wood has been legally harvested in accordance with current legislation;
- chain-of-custody certification, which guarantees the traceability of wood from the forest to the finished product.

**209.** Forestry companies that only have certificates of legality or traceability are not eligible for the reduced rate of 2.5%. They are therefore subject to the intermediate rate of 3% detailed below.

✓ **The 3% reduced rate**



210. Forestry companies wishing to benefit from the reduced rate of 3% must :

- hold forest management certification other than sustainable management certification issued by a national or international body recognised by the forestry administration. These include legality, traceability, etc. certifications;
- present written proof that the forestry operation complies with the standards of the applicable certification label.

✓ **The 5% rate**

211. The 5% rate applies automatically to forestry companies that :

- no forest management certification;
- or whose certification has been suspended, withdrawn or expired.

**c. Miscellaneous and transitional provisions**

212. Forestry companies wishing to benefit from the reduced rates of 2.5% or 3% must submit their valid certificate to their local tax centre by 28 February 2025 at the latest. They are required to notify these centres within 30 days of any changes to their certification status.

213. If these requirements are not met, the taxpayer is deemed not to hold any certification, and is therefore liable to pay tree-felling tax at the rate of 5%.

214. The departments ensure that the returns filed by taxpayers comply with their certifications and make any necessary corrections.

215. The benefit of reduced rates is conditional on the continued validity of the certification. If the certification is suspended, withdrawn or expires, the company immediately loses entitlement to the reduced rate, and the standard rate of 5% becomes applicable.

216. The new rates set by the Finance Act for the 2025 financial year apply to trees felled on or after 1<sup>st</sup> January 2025, regardless of when the certification was issued or renewed.

217. Finally, it should be noted that the felling tax is renamed tree felling . The purpose of this amendment is to bring the tax terminology into line with the provisions of law no. 2024/008 of 24 July 2024 governing forests and wildlife.

**7.2 Section 242 - Extension of the scope of the tree felling tax**

218. The scope of the Tree Felling Tax has also been extended by the 2025 Finance Act, with the amendment to Section 242 of the General Tax Code.

219. Until 31 December 2024, the felling tax applied only to logs from logging permits of any kind, including those from communal and community forests.

220. From 1<sup>er</sup> January 2025, Tree Felling Tax applies to:



- Marked logs from valid logging permits, in accordance with previous practice ;
- unmarked logs, the traceability or regularity of which has not been established ;
- Abandoned logs identified in logging areas ;
- logs from unauthorised logging operations, in accordance with current forestry regulations.

221. Forestry operators are now required to include all logs, including those newly included in the scope, in their monthly declarations, in accordance with the provisions of the GTC.

222. This measure applies from 1 January 2025.

### 7.3 Section 247a (3) - Substitution of the tax compliance certificate for the no-fee certificate

223. The amendment to section 247 bis (3) of the French General Tax Code is a simple terminological correction, replacing the obsolete expression "*attestation de non-redevance*" with the updated term "*attestation de conformité fiscale*".

## 8 PROVISIONS RELATING TO REGISTRATION

### 8.1 Section 543 (d) and (e). - Reduction in the rates registration duty on residential leases

224. The 2025 Finance Law amended the provisions of Section 543 (d) and (e) of the GTC, thereby reducing the rates of registration duty applicable to residential leases.

#### a. New registration duty rates

225. The rates of registration duty applicable to residential leases are set as follows:

- 2%: for leases of buildings in urban areas ;
- 1%: for leases of buildings in rural areas.

#### b. Limits the application of reduced rates

226. The reduced rates provided for section 543 (d) and (e) of the GTC do not apply to leases for professional, industrial or commercial use. Pursuant to Section 341 (2) of the GTC, these leases remain subject to the 10% rate, including in particular leases, sub-leases, assignments of leases, extensions, as well as verbal leases of limited duration concerning buildings for professional, industrial or commercial use, as well as leases granted to companies for the purpose of housing their staff.

#### c. Miscellaneous provisions





227. As a reminder, under the provisions of sections 276 and 558 of the GTC, the deadline for registering private lease agreements is set at three months from the date on which they are signed,  
i.e. the date on which the lease agreement is signed.

228. However, it should be noted that where the effective start date is after contract has been signed, the period is counted from the date on which the contract is signed.

229. The provisions of this circular take effect from 1<sup>er</sup> January 2025 and apply to all lease agreements submitted for formality from that date, including those entered into before that date.

## 8.2 Sections 544 and 546 ter. - Reorganisation of rates and payment procedures for inheritance registration

230. The Finance Act 2025 introduces two major changes to inheritance registration tax:

- a reduction in the rates of progressive duty applicable to transfers by death ;
- the introduction of the possibility of splitting the payment of inheritance tax.

### a. Reduction in progressive duty rates

231. The Finance Act 2025 continues the effort to reduce inheritance registration duties initiated by the Finance Act 2022.

232. The rates applicable to the tax base are now as follows:

- Bracket from 0 to FCFA 5,000,000: **1%**.
- Bracket from FCFA 5,000,001 to FCFA 10,000,000: **2%**.
- Bracket from FCFA 10,000,001 to FCFA 50,000,000: **3%**.
- Bracket from FCFA 50,000,001 to FCFA 500,000,000: **4%**.
- Portion in excess of FCFA 500,000,000: **5%**.

233. The procedures for declaring and settling inheritance tax remain unchanged.

### b. The introduction of the possibility of splitting the payment of inheritance tax

234. Section 546 ter of the GTC has been amended to introduce the possibility of splitting the payment of registration duty on transfers by death.

235. The splitting of registration duties constitutes an exception to the general principle of a single payment.

236. The IT Division (DI) must put in place the technical adaptations required to manage this split, as soon as it receives the decision from the Director General of Taxes (DGI).

### c. Maximum length of split



237. In accordance with the provisions of section 546 ter of the GTC, the payment of inheritance tax may be spread over a maximum period of two years.

238. The deadlines are set according to a timetable drawn up by the tax authorities, once the application has been validated, and must be strictly adhered to.

239. Taxpayers wishing to benefit from this measure must submit a formal request to the Director General of Taxation. He will notify his decision in writing. This notification will specify the terms of application of the split, including the deadlines to be met.

**d. Prerequisite registration**

240. Registration of the transfer by death is subject to payment of each instalment of duty within the agreed deadline.

241. Each instalment must be paid by the date. The tax authorities reserve the right to refuse registration if the due dates are not met.

242. If an instalment is not paid on the due date, the benefit of the instalments granted automatically lapses. The full amount of the outstanding duties is immediately payable in a single instalment. This amount will also be subject to the late payment penalties provided for in the applicable provisions of the Book of Tax Procedures, as from the date of default.

243. The practical arrangements for implementing the splitting, in particular the eligibility conditions, payment deadlines and supporting documents, are set out in Circular No. 020 /MINFI/DGI/LRI/L of 08 May 2024, relating to the application of the tax provisions of Law No. 2023/0019 of 19 December 2023, enacting the Finance Law of the Republic of Cameroon for the financial year 2024:

**e. Miscellaneous provisions**

244. These provisions take effect from 1<sup>er</sup> January 2025. They apply to transfers by death occurring on or after that date, as well as to deeds previously declared but for which duties remain unpaid at that date.



### **8.3 Section 549 (3). - Extension of reduced rate of stamp duty on residence permits to spouses of Cameroonian nationals**

245. The Finance Act for the 2025 financial year amends section 549(3) of the GTC to extend the benefit of the reduced rate of stamp duty on resident cards to all spouses of Cameroonian nationals, regardless of sex.

246. Prior to this amendment, the stamp duty applicable to residence permits issued to the spouses of Cameroonian women was aligned with that applicable to nationals of African countries, i.e. :

- CFAF 300,000 for residence permits issued to nationals of African countries;
- CFAF 750,000 for residence permits issued to nationals of non-African countries.

247. From now on, the stamp duty applicable to residence permits issued to the spouses of Cameroonians is set at 75,000 FCFA, regardless of the sex of the foreign spouse.

248. In order to ensure the effective application of this provision, the Directorate in charge of Stamps has been instructed to take all necessary measures, in consultation with the Délégation Générale à la Sûreté Nationale (DGSN), to integrate this change into the systems and processes involved in issuing resident cards.

249. These provisions take effect from **1<sup>st</sup> January 2025**.

### **8.4 Section 554 (4) - Exemption from stamp duty on research permits**

250. Section 554 (4) of the General Tax Code provides for an exemption from stamp duty of FCFA 100,000 for research permits issued to Cameroonian researchers, particularly students.

251. To qualify for stamp duty exemption, Cameroonian researchers must submit the following documents when applying for a research permit:

- a copy of their national identity card;
- a researcher's certificate issued by a research or higher education establishment;
- a document describing the research project and justifying its scientific or innovative nature.

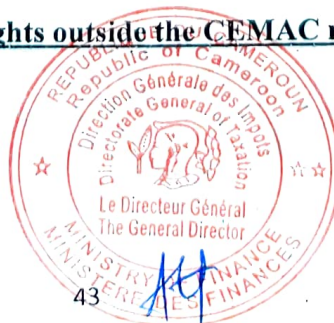
252. Any abuse or fraud in obtaining this exemption exposes offenders to the penalties set out in the Book of Tax Procedures.

253. This measure will apply from 1 January 2025, including for cases currently being processed.

### **8.5 Section 606 - Introduction of new rates of airport stamp duty**

254. Section 606 of the General Tax Code, amended by the 2025 Finance Act, completes the schedule of airport stamp duty rates applicable to international flights **outside the CEMAC**.

#### **a. New airport stamp duty rates flights outside the CEMAC region**



255. The new airport stamp duty rates for international flights outside the CEMAC are set as follows:

- Economy class: CFAF 40,000 (unchanged)
- Premium Class: FCFA 75,000 (new)
  - ✓ Premium Class is a travel class superior to Economy Class, offering a higher level of comfort and services (more spacious seats, improved catering, priority boarding, etc.).
- Business class: CFAF 120,000 (unchanged)
- First class: 300,000 FCFA (new)
  - ✓ First class is the most luxurious class of travel, offering an exceptional level of comfort and services (private suites, personalised service, refined cuisine, etc.).

256. Airport stamp duty rates for flights within the CEMAC zone and for domestic flights remain unchanged:

- International flights within the CEMAC zone: CFAF 25,000
- Domestic flights: CFAF 1,000

**b. Airline reporting obligations**

257. Airlines are required to send their tax centre a summary statement of tickets for international flights outside CEMAC issued in 2024 and not yet used by 31 March 2025 at the latest.

**c. Miscellaneous and transitional provisions**

258. As a transitional measure, tickets issued in 2024 on the basis of the old fares can be used until 31 March 2025 without an increase in the initial fare.

259. From 1<sup>st</sup> April 2025, all tickets, regardless of the date purchase, must be accompanied by stamp duty paid at the current rates.

260. The procedures for collecting, paying and recovering airport stamp duty remain unchanged.

261. The new stamp duty rates apply from 1<sup>st</sup> January 2025.

**9 PROVISIONS RELATING TO THE BOOK OF TAX PROCEDURES**

**9.1 Section M 2 (3). - Rationalisation of the pre-filled declaration procedure**

262. The legislative framework in force until 31 December 2024 only authorised the tax authorities to issue pre-filled tax returns (PTR) in the event of a failure to file a tax return, or in the event of obvious deficiencies or omissions in taxpayers' tax returns.

263. The 2025 Finance Law now enshrines a dual approach in terms of



of DPR :

- DPR as a declaration procedure ;
- DPR as a means of correcting declarations :

### 1) **DPR as a declaration method**

264. As part of this proactive approach, the tax authorities implement the DPR procedure before any initial tax return is filed by the taxpayer.

#### a) **Implementation procedures**

265. Under provisions of Section M 2 (3) of the GTC, the tax authorities may, on the basis of the information in their possession, electronically transmit a pre-filled declaration to the taxpayer at least fifteen (15) days before the due date for payment a tax, duty or charge. This period is extended to thirty (30) days for annual returns.

266. It should be noted that these deadlines are clear deadlines and are counted from day to day.

267. The Division in charge of IT is required to make the necessary settings to automatically notify taxpayers of PTRs within the deadlines.

#### i. **Electronic notification of the PTR**

268. Unlike the corrective approach, in which the notice can be delivered by hand against a receipt, the proactive approach accepts electronic notification as the only valid method.

269. DPRs sent electronically are deemed to have been received by the taxpayer within 48 hours of transmission. It is therefore incumbent on the tax authorities, when notifying the taxpayer by electronic means, provide proof, in the event of a dispute, that the notification was actually sent and that the taxpayer had actual knowledge of the notification.

#### ii. **The taxpayer's reaction to the PTR**

270. On receipt of the PTR, the taxpayer is required to return it to the tax authorities within the declaration deadlines set by law.

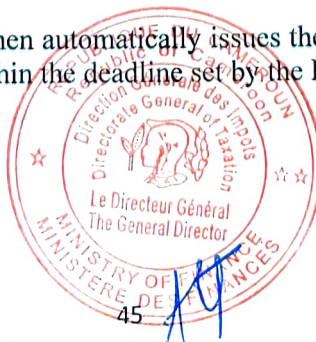
271. Two (2) situations may arise when the taxpayer returns the tax return to the tax authorities:

#### **First case: the taxpayer validates the PTR**

272. Validation of the PTR corresponds to the taxpayer's acquiescence to the tax bases previously established by the authorities, as well as to the assessment and amounts due in respect of taxes, duties and fees. The PTR validated in this way bears the taxpayer's (electronic) signature and is henceforth enforceable against the taxpayer.

273. If the taxpayer remains silent at the end of the declaration period, this constitutes acceptance of the PTR notified.

274. The DGT's computer system then automatically issues the relevant tax notice, enabling the taxpayer to pay his or her tax debt within the deadline set by the DGI.



declaration. Failure to pay within this time limit results in the taxpayer being in arrears, giving rise to the issue of a collection notice.

### **Second case: the taxpayer corrects the PTR**

275. Due to the declarative nature of the system, the service simply takes note of any adjustments made to the declaration by the taxpayer. These adjustments can be used against the taxpayer in subsequent procedures.

276. Moreover, in order to be admissible, the corrected PTR must be returned to the departments via the tax authorities' dedicated IT system. In this respect, any rectification of the PTR made outside the above-mentioned information system is declared inadmissible, and the taxpayer must be presumed to have received the balance, in accordance with the legislation in force.

#### **iii. Scope of the proactive PTR procedure**

277. The application of the proactive PTR for a period, under the above conditions, does not prejudice the administration's right to reclaim for the same period. The tax authorities retain their right to carry out checks and adjustments, in accordance with the provisions of Sections M 2 bis and M 9 et seq. of the General Tax Code.

278. Similarly, at the end of a proactive DPR procedure that has resulted in changes by the taxpayer, the administration retains the right to implement the corrective DPR procedure, in accordance with the provisions of section L 2 bis of the aforementioned Code.

#### **iv. Entry into force**

279. This measure applies immediately to all proceedings commenced on or after 1<sup>st</sup> January 2025.

### **2) Pre-filled returns (PTR) as a means of correcting returns**

280. In accordance with the provisions Section L 2 bis (2) of the GTC, the PTR procedure is also a mechanism for correcting tax returns in cases where the taxpayer has failed to file a tax return or has manifestly failed to file a proper tax return.

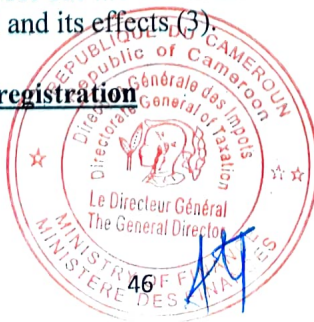
281. The procedures for implementing the PTR as a correction mechanism are specified in Circular No. 20/MINFI/DGI/LRI/L of 8 May 2024, specifying the provisions of Act No. 2023/019 of 19 December 2023, the Finance Act for the financial year 2024.

### **9.2 Section M 2 c. - Strengthening the management of dormant taxpayers**

282. Under the provisions section M 2 c of the General Tax Code, only taxpayers who are up to date with their tax returns are registered in DGI's active taxpayers file. Taxpayers who fail to file their tax returns for a period of two consecutive months are considered inactive and automatically removed from the file. In the case of annual returns, withdrawal is applied after a single failure to file.

283. The 2025 Finance Law provides for automatic deletion from the register in the event of prolonged default. The points below set out the conditions for application of the deletion (1), the procedures for its implementation (2) and its effects (3):

#### **1) Conditions for automatic deregistration**



284. In accordance with the provisions of section L 2 c of the MTP, removal from the taxpayers' file applies to taxpayers who have failed to file their tax returns over a period of three (03) consecutive years, whether monthly or annual.

285. If the taxpayer's tax filing situation is regularised, the taxpayer who has been automatically withdrawn from the taxpayers' file is eligible for reinstatement in the said file, while retaining his status as a former taxpayer.

## 2) Deregistration procedures

286. Automatic deregistration is carried out at the request of the Registration Division, which must submit to the DGT by 31 January each year a list of taxpayers to be deregistered, on the advice of the tax authorities.

287. The list validated by the DGI is published by any means, in accordance with the provisions of section M 3 (2) of the MTP.

## 3) The effects of automatic deregistration

288. The taxpayer's name is automatically removed from the taxpayer's register, and the court with territorial jurisdiction is notified of the final withdrawal from the Trade Register (*Registre du Commerce et du Crédit Mobilier - RCCM*).

289. The DSSI, in collaboration with the Litigation Division and the Legislation and International Tax Relations Division (the International Exchange of Information Unit), is responsible for preparing and submitting to the Director General of Taxes the notification files referred to in the above point.

290. Deregistration does not entail the extinction of previous tax debts, nor of penalties incurred for breaches observed during the period of inactivity.

291. I therefore urge the Debt Collection Department to be even more vigilant in ensuring that these debts are settled.

292. This measure applies from 1<sup>st</sup> January 2025.

## 9.3 Section M 3 (2). - Establishment of a reminder to defaulting taxpayers by any means public communication

293. In line with internationally accepted best practice in the follow-up of delinquent taxpayers, the 2025 Finance Law provides for taxpayers to be reminded by public notice. This system supplements the individual notification already in force.

294. Under the terms of this provision, any taxpayer who has failed to file a tax return within the time limits provided for by law may be notified or reminded by any means of public communication deemed appropriate by the tax authorities, including the press, public display or publication on a dedicated website.

## 1) The taxpayers concerned



295. Notification by public notice applies to all taxpayers, whether professional or non-professional.

## 2) The procedure

296. The Minister of Finance or the Director General of Taxation has sole responsibility for notifying the public in the event of failure to file a tax return.

297. The Head of the Registration Division is responsible for submitting to the Director General of Taxation the list of taxpayers proposed for notification by public notice.

298. The list referred to above must include the full identity of the taxpayers concerned (tin, surnames and forenames, company name).

## 3) The effects

299. Notification by public communication is not exclusive of individual notification. In the same way as the latter, notification by public communication is equivalent to formal notice to declare. The taxpayer then has a period of seven (07) days to regularise his situation, from the date of publication of the notification.

300. This measure applies from 1<sup>st</sup> January 2025.

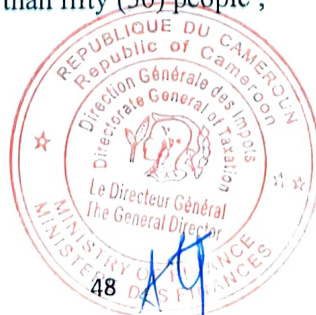
## 9.4 Sections M 6 b. - Introduction of obligation to file a certificate of certification of financial statements drawn up by a statutory auditor

301. Section L 6 b of the Manual of Tax Procedures (MTP), introduced by the 2025 Finance Law, makes it compulsory for certain entities to attach a certificate certifying their financial statements to their annual tax returns.

### a. **Company concerned**

302. Pursuant to the provisions of sections 289-1, 376, 702 and 853-13 of the OHADA Uniform Act relating to the law on commercial companies and EIGs, the following commercial companies are required to appoint at least one (1) statutory auditor:

- Public limited companies Section 702 of the AUSCGIE);
- Sociétés à Responsabilité Limitée which, at the end of the financial year, meet two of the following conditions (Section 376 of the AUSCGIE):
  - balance sheet total in excess of one hundred and twenty-five million (125,000,000) CFA francs;
  - annual turnover excess of two hundred and fifty million (250,000,000) CFA francs;
  - permanent workforce of more than fifty (50) people ;





- Sociétés par Actions Simplifiées that meet two of the following conditions at the end of financial (Section 853-13 of the AUSCGIE):
  - balance sheet total in excess of one hundred and twenty-five million (125,000,000) CFA francs;
  - annual turnover in excess of two hundred and fifty million (250,000,000) CFA francs ;
  - permanent workforce of more than fifty (50) people ;
  
- Sociétés par Actions Simplifiées which control, within the meaning of Section 174 of the AUSCGIE, one or more companies, or which are controlled by one or more companies (Section 853- 13, paragraph 4);
  
- Sociétés en Nom Collectif that meet two of the following conditions at the end of the financial year (Section 289-1 of the AUSCGIE):
  - balance sheet total in excess of two hundred and fifty million (250,000,000) CFA francs;
  - annual turnover in excess of five hundred million (500,000,000) CFA francs;
  - permanent workforce in excess of fifty (50) people.

**b. Professionals authorised to issue the certificate**

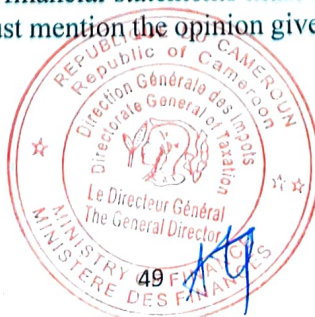
**303.** Pursuant to the provisions Section M 6 B of the MTP, the certificate of certification of the financial statements must be issued by an registered on the Roll of the National Order of Chartered Accountants of Cameroon, duly appointed by the company's General Meeting. The auditor must also provide proof of publication in the Trade and Personal Property Credit Register, in accordance with the provisions of section 46 of the OHADA Uniform Act relating to General Commercial Law.

**c. Certification certificate**

**304.** Under the provisions of section L 6 b of the GTC, companies required to appoint a statutory auditor and certify their annual financial statements are required to attach to their financial statements a certificate of certification of their financial statements issued by the said statutory auditor.

**305.** It should be noted that this provision does not apply to the certification of the statistical and tax return (a document containing a certain number of tax tables) by the statutory auditors, but consists of the latter certifying that they have certified or expressed an opinion on the company's annual financial statements as part of their annual general report on the financial statements to be presented to the shareholders or members.

**306.** The certificate certifying the financial statements must be presented in accordance with the model annexed to this circular. It must mention the opinion given by the statutory auditor at the end of his engagement.



#### d. Penalties

307. Any company subject to an obligation to certify its financial statements that submits a statistical and tax declaration without a certificate of certification of its annual financial statements duly signed by an shall be liable to a fine of fifty (50) million FCFA, which may not be remitted.

308. The statutory auditor is personally liable for the certificate issued. In the event of a breach of its obligations, the tax authorities reserve the right to apply any sanctions or to take any legal action against the statutory auditor, in accordance with the texts governing the exercise of his profession.

#### e. Final provisions

309. This measure applies to FSDs that are due to be filed :

- no later 15 March each year taxpayers covered by the LTO ;
- by 15 April the latest for MTO and STO taxpayers;
- by 15 May at the latest for DTO taxpayers.

310. If the statutory auditors are unable to complete their work in time for the certification of the financial statements to be issued, they may issue a provisional certificate identifying the statutory auditor or auditors appointed. This certificate must be attached to the DSF pending the final certificate, which must be regularised by 15 July at the latest, after adoption of the annual accounts by the general meeting of shareholders.

311. This measure applies to FSDs for 2024 financial year reported in 2025.

#### 9.5 Section M 7 - More flexible tax payment arrangements for companies in specialised management units

312. Until 31 December 2024, remote payment was the general payment method for taxes, duties and fees for taxpayers under the jurisdiction of specialised management units (MTOs, specialized tac office for liberal professionals, and the LTO), regardless of the amount.

313. The 2025 Finance Law introduces a derogation, taking into account the operational realities of businesses, particularly those for which the systematic use of remote payment could be disproportionate due to the small amounts involved.

314. With effect from 1 January 2025, only taxes, duties and fees in excess of one hundred (100) thousand FCFA must be paid by telepayment, in the case of companies covered by specialised management units.

315. It follows, therefore, that the following methods of payment of taxes, duties and fees for amounts less than or equal to one hundred (100) thousand CFA francs are now permitted for these companies:

- Bank transfer ;
- electronic payment ;
- payment in cash only at bank counters or agents



approved financial institutions for localities with no bank branches.

316. This measure applies to all payments made from 1<sup>st</sup> January 2025.

#### **9.6 Section M 19 a (new). - Clarification of the scope of transfer pricing**

317. Section M 19 a corrects a material error in the definition of scope of companies subject to the transfer pricing documentation obligation, by clarifying the cases concerned.

318. In addition to the criteria, the obligation to provide documentation now extends to Cameroonian companies which, at the end of the financial year, hold directly or indirectly more than 25% of the share capital or voting rights of a company whose annual sales excluding tax or gross assets are greater than or equal to one billion (1,000,000,000) CFA francs.

319. At the start of any accounting audit, the companies concerned must provide the tax authorities with documentation justifying the pricing policy applied in transactions with affiliated companies. This documentation must be presented in electronic format, in accordance with the legal requirements in force.

320. The practical arrangements for applying the transfer pricing rules are set out in Instruction no. 00000007/MINFI/DGI/LRI/L dated 2 January 2025.

#### **9.7 Section M 20 a. - Clarification of the powers of the tax and customs authorities to inspect special tax arrangements**

321. The Finance Act 2025 reaffirms the powers of the tax and customs authorities, as part of their ordinary duties, to monitor the use of tax concessions granted to companies approved under the various special arrangements.

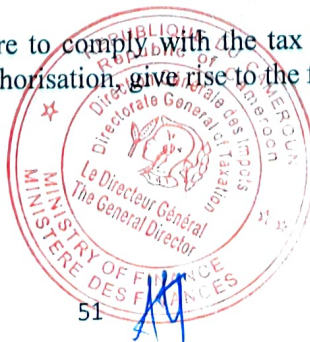
322. The term "ordinary assignment" refers to the various tax audit procedures set out in the Manual of Tax Procedures, i.e. general accounting audits, spot audits, documentary audits, pre-filled tax returns, etc. The term "ordinary assignment" refers to the various tax audit procedures set out in the Manual of Tax Procedures, i.e. general accounting audits, spot audits, documentary audits, pre-filled tax returns, etc.

323. Under the aforementioned procedures, the tax and customs authorities now have the power to record any fraud or failure to comply with the tax benefits granted to a taxpayer approved for a special tax regime in force, or any failure to comply with the commitments set out in the approval.

324. Under the terms of these provisions, the exercise of control powers by the managing departments is not subject to prior authorisation by any body.

325. Insofar as the onus of proof of fraud or failure to comply with the tax benefits granted or with the commitments set out in the authorisation lies with the tax authorities, who may provide it by any legal or factual means, I would urge you to systematically establish this in a report duly co-signed with the taxpayer or his representative, in order to guarantee the effectiveness of the procedure. If the taxpayer or his representative refuses to sign, this refusal must be expressly mentioned in the report, accompanied, where appropriate, by the administration's observations.

326. When duly recorded, fraud, failure to comply with the tax benefits granted, or failure to honour the undertakings set out in the authorisation, give rise to the following penalties



tax penalties, in accordance with the provisions of the Book of Tax Procedures:

- immediate suspension of the tax benefits granted, by decision of the Minister of Finance, following a reasoned opinion from the Director General of Taxes or the Director General of Customs;
- the amount of tax evaded by the taxpayer in question, applying the standard tax rates where applicable.

327. The above tax penalties apply without prejudice to any criminal penalties.

328. This measure applies immediately from 1 January 2025, including to taxpayers who hold authorisations for derogation schemes issued before that date.

**9.8 Section M 40 (3). - Enshrinement of the suspension of inspection deadlines in the event of a request for the production of documents**

329. The Finance Act 2025 provides for the possibility of suspending the duration of on-the-spot inspections for general accounting audits.

330. As a reminder, in accordance with the provisions of Section M 40 (1) of the MTP, the time limit for on-site inspections in the context of a general audit of accounts is :

- three (03) months, except in exceptional circumstances; or
- nine (09) months in the event of a transfer pricing audit or implementation of the exchange of information procedure.

331. From now on, the aforementioned deadlines may be suspended if the taxpayer is notified of a request for the production of documents or information, in accordance with the provisions of the Book of Tax Procedures.

332. The suspension takes effect from the date on which the taxpayer, or his representative, is notified of the Administration's request for documents or information. In order to avoid any procedural irregularities, any notification of a request for documents or information must be made against a receipt.

The suspension ends either :

- the day of submission of the documents requested by the Administration;
- the date on which the failure to pay is recorded in a report signed jointly by the tax authorities and the taxpayer.

333. This means that the previously suspended deadlines can only be counted from the date on which the taxpayer submits the documents, or from the date on which the official report is signed stating that the documents have not been produced.

334. This measure applies to all proceedings in progress on 1<sup>st</sup> January 2025 or commenced on or after that date.



**9.9 Section M 41 a. - Reorganisation of the conditions of eligibility of taxpayers for exemption from tax audits**

335. Until 31 December 2024, exemption from tax audits in respect of a given financial year was granted to companies demonstrating an increase of at least 25% in the amount of their voluntary payments from one financial year to the next.

336. With effect from 1<sup>st</sup> January 2025, the rate of increase in spontaneous payments required from one financial year another in order to benefit from the exemption referred to above in respect a given financial year is reduced from 25% to 20%.

337. The procedures for determining the rate of increase in unsolicited payments and for obtaining exemption from control remain those set out in circular n°011/MINFI/DGI/LRI/L dated 05 March 2021 specifying the procedures for applying the Finance Act for the 2021 financial year.

338. The new progression rate of 20% applies to all applications submitted from 1<sup>st</sup> January 2025.

**9.10 Section M 71 of the GTC. - Clarification of the deadline for notifying the taxpayer's account balance upon receipt of the third-party notice**

339. As part of the implementation of enforcement measures, in particular with regard third-party notices, custodians, holders or debtors of sums belonging to or due to return to taxpayers, penalties and ancillary costs, the recovery of which is guaranteed by the Treasury's lien, are required, after receipt of a third-party notice, to notify the tax authorities of the balance of the account of the taxpayer who is the subject of the proceedings.

340. As a reminder, the legislation in force until 31 December 2024 did not stipulate any deadline for the third party holder, after receipt of the notice duly served by the administration, to communicate the balance of the taxpayer's account.

341. From 1 January 2025, receipt of a third party notice gives the third party holder a maximum period of seventy-two (72) hours to communicate the balance of the taxpayer's account.

342. This period is counted from the date of actual receipt of the notice, indicated on the acknowledgement of receipt or any other proof drawn up for this purpose.

**9.11 Section M 76 - Reorganisation of tax powers to freeze accounts**

343. Until 31 December 2024, the power to freeze taxpayers' bank accounts, as part of the enforcement of measures to recover tax debts guaranteed by the Treasury's lien, was vested solely in the regional tax receivers and those of the specialised management units.

344. Under the 2025 Finance Law, all tax collectors now have power to freeze the bank accounts of taxpayers who owe tax on their books.

345. This measure will apply immediately 1 January 2025.



### **9.12 Section M 78 - Improved monitoring of passenger and freight transporters**

346. In accordance with the provisions of section M 78 of the MTP, professional hauliers who fail to proof of their tax status when inspected by tax officials may have their vehicles impounded.

347. Until 31 December 2024, the tax situation of these hauliers was assessed on the basis of the production of the transport licence and the vehicle stamp.

348. From 1<sup>st</sup> January 2025, any carrier (of persons or goods) must produce, at the request of officers specially authorised to record offences, a Tax Compliance Certificate, as well as a Certificate of Payment of Vehicle Stamp Duty.

349. I would remind you that the application of this measure is limited to professional taxpayers liable to pay the "patente", i.e. passenger and goods transporters. In any event, it does not apply to non-professional taxpayers for the use of their vehicles for personal purposes.

### **9.13 Section M 79 - Extension of temporary exclusion from specific procedures in the event of non-payment of taxes and duties**

350. Under current legislation, failure to comply with tax obligations is punishable by a temporary or permanent ban on bidding for public contracts, acquiring a public company in the process of being privatised, participating in stock market transactions, bidding for forestry exploitation titles and applying for the issue of secure consignment notes.

351. The 2025 finance law supplements this system by extending the ban on requesting the issue of secure consignment notes to all secure documents in the event of non- payment of taxes and duties following formal notice.

352. As a result, the issue of any secure document is now subject to the production of a valid Attestation of Tax Compliance.

353. As a reminder, valid tax compliance certificates are posted online on the DGT's website for purpose of authenticating those presented by the taxpayer. A consultation service is available on the DGT's website at [www.impots.cm](http://www.impots.cm).

### **9.14 Section M 86 - Extension of joint and several to branches for tax on income from Cameroonian sources**

354. Sections 5, 25 and 225 of the GTC make profits or income derived from the operation of a taxable activity or business in Cameroon subject to income tax in Cameroon. This applies to the income of foreign companies operating in Cameroon through their branches.

355. The 2025 finance law year strengthens the administration's prerogatives to optimise the collection of taxes owed by these foreign companies, by extending to their branches located in Cameroon the solidarity of payment for taxes owed in Cameroon by their head offices, due to the Cameroonian source of the income in question.



356. As a result, foreign companies and their branches located in Cameroon are jointly and severally liable for the payment of taxes, duties and fees due as a result of carrying out or operating a business in Cameroon.

357. Therefore, the Notice to Proceed for Collection may validly be sent to either party. The same applies to any collection proceedings that may be brought against either party.

358. This measure will apply immediately from 1 January 2025 in respect of inspections or recoveries carried out from that year onwards.

**9.15 Section L 86 ter - Joint and several liability for payment in the event of fraudulent use of the unique identification number**

359. This provision establishes joint and several liability between all parties to an operation or transaction carried out using a fraudulent Tax identification number (TIN).

360. Fraudulent use refers to the use of a TIN, whether or not generated by the tax authorities' IT system, to carry out a taxable transaction with the intention of compromising the collection of the taxes, duties and fees associated with that transaction. The usurpation of a taxpayer's NIU is also considered fraudulent.

361. The consequence of joint and several liability is that all parties to the transaction, including those who did not participate directly in the fraud, are jointly and severally liable for payment of the taxes due, as well as the related penalties and increases, without prejudice to criminal penalties, in accordance with the provisions of the MTP.

362. To be relieved of the payment of the taxes in question, the party claiming non-participation in the fraud must provide proof of non-liability by producing a decision from the competent judicial authorities.

363. For this provision to apply, the fraud must be established by the tax authorities and recorded in a report signed by the parties. The refusal to sign must be mentioned in the report.

364. This provision applies to all cases of fraud detected or after 1<sup>st</sup> January 2025, regardless of when the operation or transaction concerned was carried out.

**9.16 Section M 104 bis. - Introduction of a fixed fine of up to FCFA 50 million for the use of falsified or fraudulently obtained tax documents**

365. The 2025 Finance Law introduces a fine of up to (50) million FCFA, against the use or use of falsified or fraudulently obtained tax documents, whether issued or purportedly issued by the tax administration's computer system.

366. The documents concerned include: the tax clearance certificate, the registration certificate, payment receipts, tax notices, the location map, etc.

367. Any fraud established within the meaning of these provisions must be recorded in minutes signed by all parties. Refusal to sign must be recorded.



368. The aforementioned fine is issued and collected in accordance with the provisions of the MTP.

369. This measure applies to all cases of fraudulent use or attempted fraudulent use of tax documents detected from 1<sup>st</sup> January 2025.

#### **9.17 Section M 116 - Raising of jurisdictional thresholds in contentious matters**

370. With a view to improving the handling of disputes by reducing the workload of central services, the 2025 Finance Law raises the jurisdictional thresholds for examining disputed claims.

371. From 1 January 2025, these thresholds will increase from :

- fifty (50) million CFA francs in principal and seventy-five (75) million CFA francs for the Head of the Regional Tax Centre with territorial jurisdiction;
- one hundred (100) million CFA francs principal sum to two hundred (200) million CFA francs principal sum for the LTO;

372. As for the Director General of Taxation, he remains competent for contentious claims where the disputed amount in principal exceeds the thresholds set for the Head of the Regional Tax Centre and the Director of the LTO.

373. The new thresholds above apply to all contentious claims lodged from 1<sup>st</sup> January 2025.

### **10 OTHER TAX AND FINANCIAL PROVISIONS**

#### **10.1 SECTION FIFTEEN - Renewal of the voluntary regularisation programme**

374. Established by the Finance Act for the financial year 2024 for a period of one year from 1 January to 31 December 2024, the Voluntary Regularisation Programme is extended by the Finance Act 2025 for a period of two (2) years from 1 January 2025.

375. As a reminder, the purpose of the Voluntary Regularisation Programme is to enable taxpayers to regularise their tax situation with regard to personal income tax (PIT), over the ten (10) years preceding the date of entry into force of the said programme.

##### **a. Targeted income**

376. The Voluntary Regularisation Programme applies:

- undeclared income or assets;
- income or assets that have been incorrectly or incompletely declared.

##### **b. People concerned**

377. The voluntary regularisation procedure applies to individual taxpayers liable for personal income tax in Cameroon who hold income and assets outside Cameroon and who have failed to file a tax return or filed an inaccurate or incomplete tax return, regardless of the type of income or assets concerned.





**c. Facilities granted**

378. Taxpayers who declare their income and assets held outside Cameroon benefit from the following tax advantages for the entire period not barred by the statute of limitations:

- immunity from criminal prosecution for tax offences relating to regularised funds or assets ;
- remission of 80% of penalties and interest for late payment relating to taxes due on regularised funds or assets;
- possibility of obtaining a payment schedule for the tax due, for maximum period of one year. (01) year.

379. The benefit of this exemption does not affect the right of the tax authorities to take back any information they may subsequently hold in the context of the automatic exchange of information or any other tax-related information.

**d. Eligibility criteria**

380. To benefit from the facilities granted under the voluntary regularisation programme, taxpayers must declare their income and assets:

- spontaneously, i.e. outside a tax audit or compliance dialogue procedure;
- truthfully, .e. in good , by providing accurate and complete information about the funds or assets concerned;
- no later than 31 December 2026.

**e. Declaration procedure**

381. To make the voluntary adjustment, taxpayers are invited to submit a simple declaration using a form available on the Direction Générale des Impôts website.

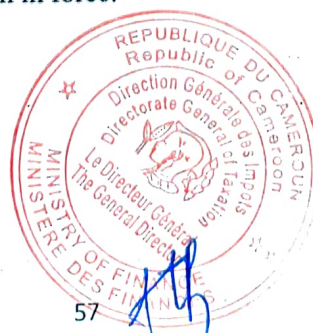
382. The Communication Unit will take the necessary steps to raise public awareness of this reform.

383. At the end of the regularisation procedure, the tax authorities issue the taxpayer with a regularisation certificate attesting to the regularisation of his tax situation for the period concerned by the regularisation.

**f. Guarantees**

384. The information provided by the taxpayer as part of the voluntary regularisation programme is covered by professional secrecy.

385. Decisions taken by the tax authorities under the voluntary regularisation programme may be appealed in accordance with the legislation in force.



## 10.2 SECTION SIXTEEN - Extension of deadlines for tax returns payments

386. The Finance Act for the 2025 financial year establishes a legal basis allowing the Minister of Finance to extend, if necessary, the legal deadlines for declaring and paying taxes, duties and fees provided for in the General Tax Code (GTC).

387. This extension, proposed by the Director General of Taxes, is formalised by a deed that specifies the new deadlines.

### a. General terms and conditions

388. The declaration and payment deadlines may be extended in the following situations:

- *force majeure*: exceptional and unforeseeable events such as natural disasters, health crises or other major disruptions affecting taxpayers' activities;
- *technical malfunctions*: significant interruptions in systems or electronic means of declaration and payment;
- *exceptional situations*: any other circumstance likely to compromise taxpayers' compliance with their tax obligations.

389. The extension can be :

- *general*, applying all taxpayers;
- *limited*, targeting certain specific categories of taxpayers.

### b. Procedure

390. The extension of time limits can be initiated as follows:

- **At the initiative of the tax authorities**: in the event of exceptional circumstances requiring a general extension, the Director General of Taxes submits a proposal directly to the Minister of Finance.
- **At the initiative of taxpayers or professional organisations**: a reasoned request is sent to the Director General of Taxes, who assesses its relevance. If the request is deemed justified, the Director General submits a proposal for an extension to the Minister of Finance for approval.

391. The deed of extension must specify :

- the taxes, duties and fees concerned;
- the new applicable deadlines ;
- the categories of taxpayer concerned, where applicable ;
- the practical arrangements for .

392. Taxpayers must be notified of the extension by



- publication on the official MINFI and DGI websites;
- national media coverage ;
- targeted notifications to the professional organisations concerned.

**c. Miscellaneous provisions**

**393.** The new deadlines set by the deed of extension apply to both taxpayers and the tax authorities as soon as they are officially published.

**394.** No penalty for late filing or late payment may be applied to taxpayers who meet the new deadlines defined in the deed of extension.

**395.** The provisions relating to the extension of time limits, as set out section sixteen, come into force on 1<sup>st</sup> January 2025, and apply to all requests made or situations identified on or after this date.

**10.3 SECTION NINETEEN - Renewal of the special tax settlement procedure for debts issued up to 31 December 2022**

**396.** The 2025 Finance Act extends the special settlement procedure introduced by the 2024 Finance Act.

**397.** As a reminder, under the terms of the Finance Act 2024, taxpayers owing taxes issued up to 31 December 2022 have the option of settling their tax debts through a compromise, regardless of whether these debts are currently being contested or have become final.

**398.** However, it should be noted that tax debts which are settled by the procedure for offsetting reciprocal debts are not covered by this special settlement procedure.

**399.** Transaction applications, duly stamped at FCFA 25,000, must be submitted between 1<sup>st</sup> January and 31 December 2025. Applications submitted after this deadline must be rejected outright.

**400.** The terms and conditions for implementing this measure are those set out in circular no. 006/MINFI/DGI/DLRI/L of 21 February 2020, depending on whether the transaction relates taxes under dispute or to undisputed tax arrears.

**a. Transactions relating to disputed tax arrears**

**401.** The abatement rates applicable to the disputed taxes are as follows:

- **50%** on the total amount not yet paid for disputes in the administrative phase, the taxes paid being forfeited to the Treasury. The remaining balance may be subject to a payment schedule not exceeding three (03) months.
- **65%** of the total amount not yet paid in the case of disputes at the jurisdictional stage, with any taxes paid being forfeited to the Treasury. The outstanding balance may be subject to a payment schedule not exceeding three (03) months.



**b. Transactions relating to undisputed tax arrears**


402. The abatement rates applicable to undisputed tax arrears are as follows:

- 70% of the amount of the debt for public or semi-public entities, i.e. decentralised local authorities, public establishments, public companies and semi-public companies in which the State is the majority shareholder. The outstanding balance may be subject to a repayment schedule not exceeding twelve (12) months;
- 50% of the total debt for private entities. The outstanding balance may subject to a repayment schedule not exceeding twelve (12) months.

**11 FINAL PROVISIONS**

403. These provisions, which supersede any previous doctrinal interpretation to the contrary, must be strictly observed and any difficulties in their application brought to my attention.

**Le Directeur Général  
des Impôts**



*Meyong Abali Roger Akhass*



## 12 APPENDICES



**APPENDIX 1: Model official report on fraud or improper use of tax facilities (Section 17 ter of the GTC)**

**1. Identification of the**

**parties Controlled**

**company :**

- Company name: [name of company].
- Unique identification : [NIU].
- Address: [full address]
- Representative: [name and position]

**Tax agent(s) :**

- Surname(s) and first name(s): [surname(s)
- Position: [position and reporting structure].

**2. Description of events**

Following an audit of the above-mentioned companys accounting and tax records, the following facts were noted:

- **Nature of irregularities:** [give details of any fraudulent manoeuvres, concealment, deliberate omissions or improper use].
- **Period concerned:** [indicate the tax years concerned].

**Example:**

- *Failure to comply with export obligations under the law industrial free zones.*

**3. Applicable tax regime and heads of adjustment**

- Applicable tax regime: [specify the preferential tax regime initially applied].
- Heads of adjustment: [give details of the amounts concerned, the bases of calculation and the corrections made].

**4. Observations of the parties**

- **Company representative:** [summary of explanations or objections made].
- **Tax authorities:** [reply or justification of observations made].

**5. Signature of the parties**

Two copies of the report are drawn up, one of which is given to the company concerned.



**Signature tax agent**

Full name : \_\_\_\_\_

Position : \_\_\_\_\_

Signature and stamp : \_\_\_\_\_

**Signature of company representative**

Surname and first name : \_\_\_\_\_

Position : \_\_\_\_\_

Signature : \_\_\_\_\_

**6. Refusal to sign**

If the company representative refuses to sign, the following must be added:

*"The company representative refused to sign these minutes, a copy of which was given to him."*



## APPENDIX 2: Model annual summary statement

### 1. Identification of the debtor (person paying the income)

- Company name :
- Legal form (if legal entity) :
- Full address:
- Telephone / Email :
- Tax identification number (TIN) :

### 2. Beneficiary identification

- Surname, first names / Company name :
- Full address:
- Tax Identification Number (TIN) or equivalent :

### 3. Period concerned

- Calendar year: [indicate year N]
- Payment date(s) (if more than one payment) :

### 4. Details of income paid

Nature of passive income	Gross amount paid (FCFA)	Withholding rate (%)	Amount withheld (FCFA)	Net amount paid (FCFA)
1. Salaries and wages (if non-professional or mandate, for example)				
2. Pensions and annuities				
3. Property income (rental income, sub-letting, etc.)				
4. Dividends (company shares, etc.)				
5. Interest (term accounts, savings books, bonds)				
6. Royalties (copyright, patent licences, trademarks)				
7. Other similar earnings (e.g. bonuses, gratuities)				
8.....(add any other specific passive income category)				
<b>TOTAL</b>	...		...	...

### 5. OVERALL SUMMARY

- Total gross income paid: ... FCFA
- Total amount withheld: ... FCFA
- Total net amount paid: ... FCFA

### 6. CERTIFICATE

I, the undersigned, [**Surname, first name and position** of the responsible person or legal representative], hereby certify on my honour that the information given in this **annual summary statement of earnings and deductions at source** is correct.





- **Date:** ...
- **Signature:** ...
- **Stamp (if applicable):** ...

### Practical notes

- Terms of delivery :**
  - *The summary statement can be sent in **paper** or **electronic format**.*
  - *The debtor keeps **a copy** for possible inspection by tax authorities.*
- Deadline :**
  - *The summary statement must be provided **no later than 15 March** of the year following that in which the income was paid.*
- Penalties :**
  - *Failure to produce, late production or inaccuracy of the recapitulative statement may expose the debtor to the **fixed fine** provided for Section L 104 of the Book of Tax Procedures, of up to **five million (5,000,000) CFA francs** per defaulting statement, without prejudice to possible tax adjustments.*
- Supporting documents :**
  - *All documents and evidence supporting the information contained in the statement (bank statements, debit advices, lease agreements, etc.) must be **kept for** the statutory retention period (generally 10 years for accounting and tax documents, unless otherwise stipulated).*



**APPENDIX 3: Statutory auditor's certificate on the financial statements**

[Company letterhead].

[Name of firm] [Address]

[Contact: Telephone / E-mail]

[Registration number with the Ordre National des Experts-Comptables].

**Financial year ending : Company name:** [Company name]

**Financial year ending:** [Financial year end] **Company name:**

[Company name] **Financial year ending:** [Financial year end]

**Financial year ending:** [Financial year end] **Company name:**

[Company name]

**Legal form:** [SA / SARL / SNC / SAS] (limited liability company)

**RCCM registration :** [RCCM number].

**Registered office:** [Full address]

In my capacity as **Statutory Auditor duly appointed** by General Meeting of the company [**Name of the company**] and registered with the National Order of Chartered Accountants of Cameroon,

**I certify that :**

1. **The annual financial statements for the year ended [Date]** have been audited in accordance with the professional standards in force, as part of my annual audit procedures. These financial statements were prepared and approved by the [Board of Directors/Managing Director/General Manager].
2. At the end of my audit, **I have certified these financial statements / I have expressed a qualified opinion / I have issued an adverse opinion / I am unable to certify**, according to the conclusions of the general report addressed to [shareholders or partners].

*This certificate, issued pursuant to Section L 6 Ter of the French Tax Procedures Book, is intended solely for the Directorate General of Taxes and does not replace the auditor's reports issued in accordance with applicable professional standards and the provisions of the OHADA Uniform Act relating to the law on commercial companies and economic interest groups.*

Done at [Place], on [Date].

[Surname and first name of the statutory auditor].

[Signature and stamp]

[Registration number with the Ordre National des Experts-Comptables].



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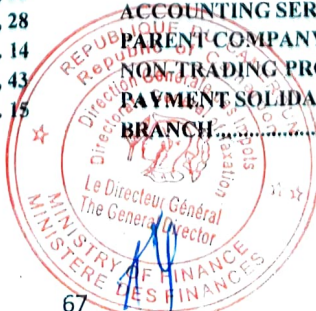
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