



TAXES IN AFRICA & MIDDLE EAST


2024

5th EDITION

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Ivory Coast




 **Capital city :**
Yamoussoukro

 **Language :**
French

 **GDP/capita**
2023 :
USD 6,540

 **Telephone code :**
+225

 **Area :**
322,462 km²

 **Political system :**
Unitary
presidential
constitutional
republic

 **Currency :**
Franc CFA
(XOF)

 **National day :**
7 August

 **Population :**
29,235,473

 **ISO Code :**
CIV

1. Corporate tax

Taxed in the category of industrial and commercial profits, the profits of commercial, industrial, craft and mining professions

Also taxable in this category are profits from forestry or agricultural operations.

1.1 Tax base and regime

The tax is due on the basis of the profits made in Ivory Coast by people who carry out commercial acts (traders, artisans, manufacturers, etc.) and by farmers.

There are 4 tax regimes on industrial and commercial profits:

1. The Entrepreneur's state tax regime applicable to natural or legal persons with an annual turnover, all taxes included, between XOF 5,000,001 and XOF 50,000,000.
2. The microenterprise regime is applicable to taxpayers whose annual turnover, including all taxes, is between XOF 50,000,001 and XOF 200,000,000.
3. The applicable real profit regime is itself subdivided into two regimes:
 - a) To taxpayers with an annual turnover greater than XOF 50,000,000 including tax;
 - b) Any person who is normally covered by the microenterprise regime and who has an annual turnover, including all taxes, greater than or equal to XOF 100,000,000 but who has exercised the option for the real taxation regime.

The real profit regime in turn comprises two tax regimes:

The simplified real regime for natural or legal persons whose turnover, all taxes included, is between XOF 50,000,000 and XOF 150,000,000.

The normal real regime for natural or legal persons whose turnover, all taxes included, exceeds XOF 150,000,000.

Note

Reform of the taxation applicable to SMEs introduced by the tax annex to the finance law n° 2020-972 of 23 December 2020 on the state budget for the year 2021 updated by the finance law n°2021-899 of 2 December 2021 on the state budget for the year 2022.

Tax regime	Threshold : turnover including tax in XOF	Method of taxation
Regime Taxe communale de l'entrepreneur (TCE) scheme	< 5,000,000	Municipal Tax 2% of turnover (incl. VAT) for trading activities - and 2.5% of turnover (incl. VAT) for other activities, including the provision of services
Contractor's state tax regime	5,000,001 50,000,000	State Entrepreneur Tax 5% turnover including tax 4% CATTG for taxpayers carrying on trading activities
tax Microenterprise regime	50,000,001 200,000,000	6% turnover including tax 4% turnover including tax for members of an Approved Management Center and taxpayers whose accounting follow-up is ensured by chartered accountants registered on the roll of the Chamber of Chartered Accountants of Ivory Coast with whom the Taxe General Management has signed an agreement
Simplified tax regime	200,000,001 500,000,000	The reform introduces a minimum collection of cumulative taxes under the simplified real and normal real regimes that cannot be lower than the maximum amount of tax due under the microenterprise tax affected by a coefficient
Normal tax regime	> 500,000,000	Normal real cannot be lower than the maximum amount of tax due under the microenterprise tax regime assigned a coefficient of 1.2. Due to the reduction of the rates applicable to the microenterprise regime, the minimum tax collection rates for the simplified and normal real regimes have been reduced from XOF 10,000,000 to XOF 8,000,000 on the one hand, and from XOF 12,000,000 to 9,600,000 on the other hand.

1.2 Residence and non-residence

Profits liable to tax are those made in businesses operating in Ivory Coast as well as those whose taxation is attributed to Ivory Coast by an international convention on non-double taxation.

The following are deemed to be operated in Ivory Coast:

- companies whose head office or place of effective management is located in the Ivory Coast;
- companies domiciled abroad with a permanent establishment in Ivory Coast. The term «permanent establishment» means a fixed place of business through which the enterprise carries out all or part of its activity.

The profits of companies are also taxable in Ivory Coast when they carry out activities there that form a complete business cycle.

The principle laid down by article 1 of the General Tax Code, recalled below, does not apply when the trader or manufacturer is a non-resident for tax purposes.

In this case, the income he receives in the Ivory Coast is subject to the tax on non-commercial profits (BNC), under article 92 of the Code, subject to the application of a convention.

The net amount of taxable sums is determined by applying a deduction of 20% to gross receipts.

The deduction referred to above is increased to 50% for premiums paid to reinsurance companies not domiciled in Ivory Coast.

Article 1 of the General Tax Code provides that an annual tax is established on the profits of commercial, industrial, artisanal professions, forestry or agricultural operations and mining companies, on profits from research activities, exploitation, production and sale of natural hydrocarbons, including the ancillary transport operations in Ivory Coast.

1.3 Tax year and filing

The tax is established each year on the profits obtained during the previous year. The accounting year generally coincides with the calendar year.

Companies are required to declare the amount of their taxable profit for the previous year or financial year at the latest:

- January 15 of each year for those falling under the Entrepreneur State tax;
- June 30 following the closing date of the financial year, for companies subject to the obligation of certification of their accounts by an auditor;
- May 30 following the closing date of the financial year, for other companies.

The tax for a financial year is payable immediately in three equal fractions no later than April 15, June 15 and September 15 of each year.

For companies reporting to the Large Enterprises Department or the Medium-sized Enterprises Department, these dates are set at:

- April 10, June 10 and September 10 for industrial, oil and mining companies;
- April 15, June 15 and September 15 for commercial enterprises;
- April 20, June 20 and September 20 for service providers.

1.4 Taxable income

Entrepreneur State tax

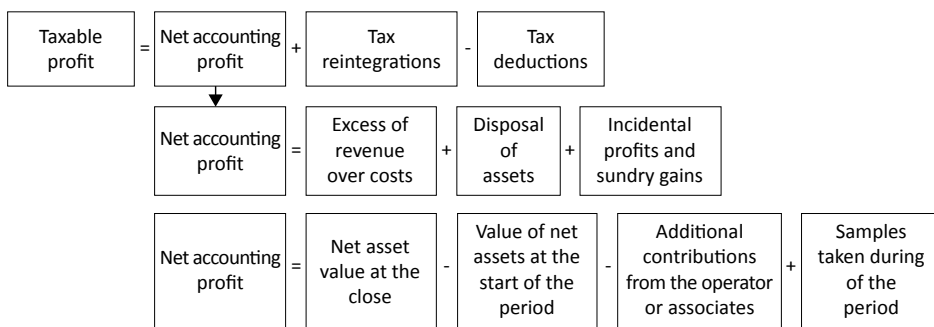
The entrepreneur's state tax is based on the taxpayer's annual turnover, including all taxes, or on the forecast turnover declared. The state entrepreneur's tax replaces the patente, the profit tax and the value added tax.

Microenterprise regime

The tax for microenterprises is determined by applying a rate to the annual turnover.

Real profit regime

The calculation of taxable profit is based on the company's accounting profit, to which adjustments are made to take into account the disparities between the accounting and tax methods of determining profit, as illustrated in the figure below:



Profit is established after deduction of all charges that meet the following conditions:

- be exhibited in the direct interest of the business or be part of the normal management of the business;
- correspond to an effective charge and be supported by sufficient justifications;
- result in a decrease in the company's net assets;
- be included in the expenses for the year in which they were incurred;
- contribute to the formation of a product not exempt from profit tax.

Depreciation and provisions made under the terms and conditions set out in the texts are also admitted as deductible charges.

These are provisions generally constituted with a view to dealing with clearly specified losses and charges and which current events make probable, provided that they have actually been recorded in the accounts for the financial year and appear in the statement of the provisions provided for in article 36 of the General Tax Code.

1.5 Group income and grouping arrangements

For the taxation of income from investments, holding companies are subject to the parent company regime.

Taxable profit is thus obtained by deducting from the total net profit, in the proportion of 95%, the net income from securities and movable capital appearing in the assets of companies liable to tax on BICs

These provisions apply to the following cumulative conditions:

Conditions relating to companies

The special tax regime is applicable to parent companies (holding companies) incorporated under Ivorian law constituted in the form of a public limited company or a limited liability company.

Conditions relating to the nature of the activities

The holding companies must exercise the following activities in a limited manner:

- the provision of services activities corresponding to the functions of direction, management, coordination and control of the companies of the group ;
- research and development activities for the sole benefit of the group ;
- group cash management

Conditions relating to securities

- equity securities must be in registered form or be deposited in an establishment designated by the Administration;
- equity securities must represent at least two-thirds of the fixed assets of the holding company;
- equity securities must represent at least 10% of the capital of the issuing company with the exception of securities received as remuneration for partial contributions admitted to the tax regime for mergers and holdings with a cost price exceeding one billion francs. This minimum participation percentage of 10% is assessed on the date of payment of the participation products;

- the equity securities must have been subscribed for at the time of issue, or failing that, the participating legal entity must have made a commitment to keep them for two years.

When the parent company regime is not applicable, taxable profit is obtained by deducting from the total net profit, in the proportion of 50%, the net income from securities and movable capital appearing in the assets of the holding company, which is liable for BIC tax.

1.6 Capital gains

Capital gains resulting from the sale, during operation, of elements of fixed assets are not included in the taxable profit of the financial year during which they were realized, if, in the declaration of the results of the said fiscal year, the taxpayer undertakes to reinvest in fixed assets in his companies in Côte d'Ivoire, before the expiration of a period of 3 years from the end of the fiscal year, an amount equal to amount of these capital gains added to the cost price of the items sold.

Capital gains from the sale of equity securities by holding companies incorporated under Ivorian law are subject to tax on industrial and commercial profits at the rate of 12% according to the following terms:

- equity securities are those which have this character from an accounting standpoint and which give entitlement to the parent company regime.
- equity securities must have been held for at least two years.

Capital gains, other than those realized on goods, resulting from the allocation of shares or shares (capital shares) following mergers of public limited companies, or limited liability, are exempt from Tax on industrial and commercial profits.

1.7 Losses

When the taxable profit is not sufficient for the deduction of previous deficits to be made in full, the excess of the deficit is carried forward successively until the fifth financial year following the deficit year.

1.8 Exemptions

However, certain entities are excluded from the Tax on Industrial Commercial Profits such as:

- consumer cooperative societies which limit themselves to grouping orders from their members and distributing in their depot stores the

foodstuffs, products or goods which have been the subject of these orders;

- economic housing offices;
- mutual agricultural credit unions;
- provident societies, rural production mutual societies, agricultural production cooperative societies, associations of general agricultural interest, agricultural mutual insurance and reinsurance companies, operating in accordance with their statutes;
- mutual benefit societies;
- the Abidjan-Niger Railway Board with regard to profits from rail transport;
- structures operating in the field of microfinance, whatever their form;
- structures operating in the field of microfinance whatever their form, with regard to their savings collection and loan distribution operations, as well as the members or clients of these structures, on the remuneration of shares, income from their savings;
- the Association for the Promotion of Exports (APEX-CI);
- the National Center for Agronomic Research.

1.9 Rates

The rates of the Industrial and Commercial Profits Tax are as follows:

- 5% of the annual turnover, including all taxes, for the Entrepreneur's State Tax. For taxpayers engaged in commercial or trading activities, this rate is reduced to 4%.
- 6% of the annual turnover, including all taxes, for the microenterprise regime. For members of an approved management centre (CGA) and taxpayers whose accounts are monitored by chartered accountants registered with the Order of Chartered Accountants of the Ivory Coast, with whom the General Tax Directorate has signed an agreement, this rate is reduced to 4%.
- 25% of taxable profit for companies falling under the real profit regime. This rate is raised to 30% for companies in the telecommunications, information and communication technologies sector. The amount of BIC tax due may not be less than that of the minimum flat-rate tax (MFI) imposed on the taxpayer for the same financial year. The MFI contribution, rounded down to the nearest hundred francs, is determined by applying a rate to the amount of turnover including all taxes as presented in the table below:

	Normal real	Simplified real
MFI contribution rate	0,5% turnover (ATI)	2% (ATI)
Minimum amount	3,000,000	400,000
Maximum amount	35,000,000	

1.10 Double taxation relief

The tax treaties signed by the Ivory Coast prevent double taxation. These are the 8 WAEMU countries, France, Germany, Belgium, Canada, Italy, Morocco, Norway, United Kingdom, Tunisia, Portugal and Turkey.

2. Personal income tax

2.1 Tax base

Salaried individuals are liable to payroll tax (ITS) on all sums paid during the year by public and private employers, directly or through a third party, in return or on payment. opportunity for work.

2.2 Residence and non-residence

Salaries and wages, salaries, allowances and emoluments are taxable:

- when the beneficiary is domiciled in Ivory Coast even though the remunerated activity is carried out outside the territory of the State or the employer is domiciled or established outside it.
- when the beneficiary is domiciled outside Cote d'Ivoire, as long as the remunerated activity is carried out in the territory of the State.

Pensions and annuities are taxable:

- when the beneficiary is domiciled in Ivory Coast even though the debtor is domiciled or established outside it.
- when the beneficiary is domiciled outside the Ivory Coast provided that the debtor is domiciled or established in the Ivory Coast

2.3 Tax year and filing

Any natural or legal person who pays taxable amounts to beneficiaries covered by the tax on salaries and wages is required to withhold tax on behalf of the Treasury

Withholdings relating to payments made during a given month, must be paid to the tax collection on which the taxpayer depends, at the latest:

- the 15th of the following month, for taxpayers subject to a real tax regime;
- with regard to companies coming under the Large Enterprises Department or the Medium-sized Enterprises Department:
 - › the 10th of the following month, for industrial, oil and mining companies
 - › the 15th of the following month for commercial companies
 - › the 20th of the following month for companies providing services

The deductions made during the year by the same employer or debtor are obligatorily regularized at the end of the calendar year as well as in the event of the retirement of the employee or annuitant or the closure of the business.

2.4 Taxable income

The income below is taxable at the ITS regardless of the name and form:

- salaries and wages, salaries, allowances and emoluments;
- pensions and annuities;
- remuneration allocated to the majority managing partner, the shareholder or the sole natural person of companies, is assimilated to employees for tax purposes, provided that they correspond to actual work.

2.5 Capital gains and securities, Land income

Securities income tax

- Taxable income

The following are subject to tax on income from securities:

- dividends, interest, arrears, income and all other products from shares of any kind and from the shares of founders of companies, companies and financial, industrial, commercial or civil enterprises, having their

- head office in the Ivory Coast
- interest, income and profits from interest and sponsorship shares in companies, companies and enterprises having their head office in Ivory Coast, whose capital is not divided into shares
- amount of official allowances, reimbursement of expenses and all other remuneration which is allocated to members of the board of directors, in their so-called capacity, of companies having their head office in Côte d'Ivoire, with the exception of products corresponding to management functions (CEO / DGA, PCA / DG, AG / AGA) due to them in addition to these sums allocated to them
- interest, arrears and all other income from bonds issued by public institutions and companies designated in a) and b) above as well as redemption lots and premiums paid to bearers of bonds of the same public institutions, companies, companies and businesses

Tax treaties also help prevent double taxation.

- Exemptions

Certain financial income is exempt from IRVM. These include:

- dividends distributed by companies and investment organizations (investment companies, mutual funds and investment clubs)
- interest on arrears and all other income from loans issued abroad by the State, as well as those issued by communities;
- depreciation on the realization of assets;
- capital gains resulting from the free allocation of securities following company mergers;
- products from current accounts between manufacturers, traders, farmers or mining operators under certain conditions.

- Base and applicable rates

The tax base, and taxable income varies depending on the type of financial product. IRVM rates are as follows according to the types of taxes.

Income type	Rate (%)
Bundles of bonds	15
Distribution of profits exempt from the IBIC or not having actually borne this tax at the rate provided for in Article 64 of the Tax Code	
Products and all sums taxable at IRVM not mentioned above	
Dividend regularly paid by companies listed on the BRVM	10
All products, lots and redemption premiums paid to holders of bonds issued in Cote d'Ivoire and repayable in at least 5 years	2
Taxable amounts paid to a natural or legal person located in a non-cooperative territory	Increase in the amount of the tax 25

Land income tax

- Taxable income

Income from buildings constructed of masonry, iron or wood, permanently fixed to the ground or resting on a special foundation, with the exception of those which are expressly exempted from it by the provisions of the General Tax Code

- Exemptions

Buildings for office or sports use and sports training structures owned or made available free of charge to sports associations recognized by the Ministry in charge of Sport and not producing income

Property tax

The provisions of the property income tax are applicable mutatis mutandis to the property tax of built properties

- Rate

The rates of the tax on property income are set as follows:

	Building owned by natural persons	Building belonging to legal persons except the SCI of co-ownership
Land income tax	3%	4%
Property tax	9%	11%
Total	12%	15%

2.6 Exemptions

In addition to taxpayers governed by international, bilateral or multilateral conventions, which are not subject to the ITS, are also excluded from the scope of the ITS, among others:

- family allowances and family assistance.
- pay increases for family responsibilities.
- the retreats of combatants.
- life annuities and temporary indemnities for victims of work accidents.
- dismissal or retirement indemnities the amount of which is less than or equal to XOF 50,000, or in the proportion of 50% of their amount when these are greater than XOF 50,000, or in the proportion of 100% of their amount when they are in the nature of damages.

2.7 Reduction and rate

The Salaries and Wages Tax is based on all remuneration, wages or earnings including benefits in kind, bonuses and various indemnities, excluding those which are of a reimbursement nature.

The rates and distributions of taxes forming the contribution payable by employers are as follows for nationals:

	Local staff (%)
Employer contribution	
National contribution (CN)	1.5
Learning tax	0.5
Continuing education tax	1.5
Total	3.5
Reduction of 20%	0.7
Usage rate	2.8

The scales applicable to monthly taxable income are set as follows for each income bracket:

- In terms of national contribution (CN)

Taxable net monthly salary brackets (In XOF)	Rate (%)
0 à 50,000	0
50,001 à 130,000	1.50
130,001 à 200,000	5
Plus de 200,000	10

- In terms of general income tax (IGR)

R/N < 25,000	N/A	
25,000 < R/N < 45,583	(R x 10/110)	- 2,273 x N
45,584 < R/N < 81,583	(R x 15/115)	- 4,076 x N
81,584 < R/N < 126,583	(R x 20/120)	- 7,031 x N
126,584 < R/N < 220,333	(R x 25/125)	- 11,250 x N
220,334 < R/N < 389,083	(R x 35/135)	- 24,306 x N
389,084 < R/N < 842,166	(R x 45/145)	- 44,181 x N
R/N over 842,167	(R x 60/160)	- 98,633 x N

The number of shares to be taken into consideration for the division of taxable income is set as follows:

- Single, divorced or widowed without dependent children 1
- Married without dependent children 2
- Single or divorced with 1 dependent child 2
- Married or widowed with 1 dependent child 2.5
- Single or divorced with 2 dependent children 2.5
- Married or widowed with 2 dependent children 3
- Single or divorced with 3 dependent children 3
- Married or widowed with 3 dependent children 3.5

2.8 Social security

Social security in Côte d'Ivoire is placed under a general scheme managed by the National Social Security Fund (CNPS). This scheme has three main branches. The branch of family benefits, that of work accidents and occupational diseases, and finally the branch of old age, invalidity and survivors' pensions.

In Côte d'Ivoire, all employers are required to join the National Social Security Fund and have their employees registered there. The self-employed person for his part or any person carrying out a professional activity who is not subject to the obligation to be insured under the occupational accident and disease insurance, may nevertheless voluntarily insure against this risk. The insured will then be able to benefit from most of the work accident benefits offered by the CNPS.

The services provided by the CNPS are financed by contributions from employers and employees. The calculation of these contributions takes into account the contribution base, the applicable contribution rates and the floor and ceiling salaries.

- The contribution base

Contributions are based on all salaries, including benefits in kind and various indemnities paid by the employer to its salaried staff, with the exception of indemnities in the nature of reimbursement of expenses. In all cases, the amount of salary to be taken into consideration as a basis for calculating contributions may not be lower than the minimum wage.

- The contribution rate

The rates used for the calculation of contributions are as follows:

- 5.75% for family benefits including 0.75% for maternity insurance;
- 2 to 5% (depending on the sector of activity) for work accidents and occupational diseases;
- 14% for old age insurance.

It should be noted that contributions for family benefits and work accidents are the sole responsibility of the employer. Contributions for retirement are borne jointly by the employer and the employee at the rate of 7.7% for the employer and 6.3% for the employee.

- Floor and ceiling wages

Contributions are calculated on the basis of capped salaries and contribution rates.

- The minimum wage

The amount of the monthly salary to be taken into consideration as a basis for calculating contributions cannot be lower than the minimum wage, the current amount of which is XOF 60,000.

- Salary ceilings

The ceiling for the old age branch is 45 times the minimum wage, i.e. currently:

- XOF 840,000 per year (XOF 210,000 per quarter and XOF 70,000 per month) for family benefits, work accidents and occupational diseases;
- XOF 19.767.780 per year (XOF 1,647,315 per month) for retirement.

News!

In accordance with Decree No. 2022-986 of 21 December 2022 on the revaluation of the Guaranteed Interprofessional Minimum Wage, the SMIG is increased from XOF 60,000 to XOF 75,000.

Thus, as from 1 January 2023, the following provisions relating to the basis of contributions come into force

- the new monthly minimum wage for social security contributions (all branches combined) is set at XOF 75,000;
- the new monthly ceiling salary for the pension branch is set at XOF 3,375,000;
- the new monthly salary ceiling for the other branches (Maternity Insurance, Family Benefits and Occupational Injuries) is set at XOF 75,000.

2.9 Expatriates

The rates and distributions of taxes forming the contribution charged to employers are as follows for expatriates:

	Expatriated staff (%)
Employer contribution	11.5
National contribution (CN)	1.5
Learning tax	0.5
Continuing education tax	1.5
Total	15
Reduction of 20%	3
Usage rate	12

3. Value added tax (VAT)

3.1 Taxation and liability

Are subject to VAT, transactions relating to an economic activity that constitute the supply of goods and the provision of services carried out in Côte d'Ivoire, for consideration, by a taxable person acting as such, to the exclusion of salaried and agricultural activities.

Are automatically subject to VAT, when they achieve a turnover excluding all taxes included in excess of XOF 50,000,000:

- importers;
- the producers;
- real estate contractors;
- traders who wholesale or retail products imported or purchased from producers or other traders established in Côte d'Ivoire, with the exception of resellers of petroleum products;
- liberal and related professions;
- people carrying out ancillary operations related to taxable operations including mining, agricultural and liberal professions and similar activities;
- the state, local authorities and bodies governed by public law for activities carried out in particular in the industrial and commercial fields, regardless of the status of the managing establishment, when these operations are carried out using means and methods comparable to those that would be used by the private sector.

3.2 Exemptions

Certain activities are expressly excluded from the scope of VAT.

3.3 Rate

There are two VAT rates:

- 18% for non-exempt products and services
- 9% for milk, pasta made from 100% durum wheat semolina, solar energy production equipment, petroleum products

4. Other taxes

There are a large number of taxes owed by companies or individuals.

We cite the main ones:

- road, hygiene and sanitation tax;
- income tax on receivables;
- contributions from licenses and contributions from licenses;
- residential taxes;
- tax on banking operations;
- single specific tax on petroleum products;
- special tax on water consumption;
- advertising tax;
- tax on insurance contracts;
- special equipment tax;
- special tobacco tax for the development of sport;
- road tax;
- royalty on firearms and compressed air;
- forest tax;
- special tax on private transport of goods;
- taxes on outstanding bank loans;
- additional levy on casino games;
- tax for the development of new technologies in rural areas;
- levy for the promotion of culture;
- tax on telecommunications and information and communication technology companies and companies carrying out money transfer operations;
- solidarity tax, the fight against aids and smoking;
- special tax for forest preservation and development;
- tax on the export of scrap metal and ferrous by-products;
- health and environmental protection tax;
- special tax on certain plastic products;
- tax on specific granulated rubber;
- tax for tourist development;
- specific tax on telephone communications and information and communication technologies;
- specific tax on air transport tickets;
- tax on excess amounts of authorized deposits and advances on rents;
- tax on video-on-demand broadcasting;
- export tax on cola nuts.

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