

# TAX SIMPLIFICATION IN CAMEROON

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## PLAN

### Introduction

- The attractiveness of the territory and improvement of the tax environment for businesses
- Modernisation of the tax system and reduction of tax costs both for taxpayers and the administration
- The necessity to simply and facilitate payment of taxes

## **I – The Stakes and Instruments for Simplifying the tax system**

### **A) The Objectives and Stakes**

#### **1) In terms of quality**

- a) Reduction of compliance cost
- b) Attract and facilitate investments

#### **2) In terms of quantity**

- a) Improve the mobilization of non-oil revenue
- b) Improve the rate of tax return filing

## **B) Measures to simplify the tax system**

### **1) Measures on tax policy**

- a) Putting into place of a single tax code
- b) Instituting a Manual of Tax Procedures
- c) Reforming the Personal Income Tax (unique taxation with a reduction of the number of thresholds, simplification of the base)

## 2) Measures on tax administration

### a) Putting into place of a single fiscal interlocutor

- Unification of the assessment and recovery services
- organisation of services according to customer segments (LTU, MSTU, STCLP)
- Functional reforms (Single Fiscal Interlocutor, Management by Objective, Action-Monitor-Evaluation)

### b) Simplification of procedures

- Abolition of the mechanism of tax withholding
- Abolition of the obligation for wage earners to file tax returns
- Abolition of the requirement for bank deposit in matters of tax disputes

### c) Communication on the system and tax procedures

- Production of taxpayer's charter on an annual basis
- Production of a compendium of tax doctrine on an annual basis
- Production of tax guides (VAT reimbursement...)
- Simplification and reduction of tax forms

### d) Better access to tax information

- Creation of a multifunction website ([www.impots.cm](http://www.impots.cm))
- Creation of a call centre and a toll free hotline (82 00)

## **A) Perspectives**

### **1) In matters of tax policy**

- a) Revision of tax regimes
- b) Simplification of parafiscal taxes
- c) Harmonisation of incentive tax regimes

### **2) In matters of tax administration**

- a) Putting into place of electronic filing and electronic payment
- b) Restructuring of district tax offices
- c) Putting into place of performance indicators
- d) Putting into place of guide for users of tax services and guide for tax disputes

## **B) Constraints with regard to simplification of the tax system**

### **1) Technological and budgetary constraints**

- Computerisation of the Directorate General of Taxation (IDU, network connection of services)
- Financial means

### **2) Socio-economic constraints**

- Improvement of tax governance (ethics...)
- Acceptance by taxpayers
- In taxpayers meeting their obligations