

BURKINA FASO



BUSINESS TAXATION 2017

(in simplified English and including comments)

Updated regarding Finance Act of 2017

presented by



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prefaced by :

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Our companies need safety. They want to know and understand texts about taxes in order to respect them and avoid any incident.

This need is particularly obvious in tax matters.

Cabinet Pierre ABADIE publishes every year the Tax Code of Burkina Faso, which is the collection of official texts.

But, as the Bible in Hebrew, some provisions in the Code are accessible only to insiders and are subject to various interpretations.

This fiscal memento written in simplified English, meets that need of clarification.

It is intended for entrepreneurs, students, tax advisers, etc. wishing to easily find legal information and author's comments.

Each tax is presented as a summary table that provides a clear view of the game's rules, and addresses basic questions:

- ✓ **Who (pays the tax?)**
- ✓ **What (on what basis the tax is calculated?)**
- ✓ **How much (do you pay?)**
- ✓ **When (period of tax declaration and payment)**
- ✓ **Where (do we declare and pay the tax?).**

A table of contents makes researches easier.



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For **Niger** : Mémento fiscal

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BUSINESS TAXATION IN BURKINA FASO

Finance Act 2017

Updated

presented by

Pierre ABADIE

Authors:

This book is the result of a team work that is presented to you here.

Pierre ABADIE (email: pierre@abadie.bf) is an expert accountant and a legal advisor since 1985; he is the main author of this work.

He is registered at the Order of Expert Accountants in France and Burkina Faso where he has been living since 1998.

With French and Burkinabe nationalities, he is registered at the Order of Expert Accountants in Paris (<http://www.oec-paris.fr>) and in Burkina Faso (www.onecca.bf), Advisor to the President of SCIMPEX, Vice Chairman of Franco-Burkinabe Businessmen Club (www.chafb.com), he was made “Chevalier de l’Ordre National du Mérite Burkinabè.”, a national decoration.

Every year he publishes the updated tax code and the social code of Burkina Faso.

His main activities are legal and tax advice.

He is the representative in Burkina Faso of the greatest international consultants (KPMG, Deloitte, PricewaterhouseCoopers, EY, FIDAL, International Bureau Fiscal Documentation, Able, FFOOKS,).

Sylvie ZONGO (sylvie@pierreabadie.com) associate of Pierre Abadie’s Consulting Firm, who holds a degree in Business Law and a DEA in private law has participated with her indispensable rigor and involvement in the development of the Handbook and provided the writing of numerous comments.

Abdoul Aziz SON, associate of Pierre Abadie’s Consulting Firm, who holds a degree in Private Law and a Master of Research in Business Law and Tax system has ensured the updating of the book,

Camille SOW, professional Master II in Applied Taxation, Master in Business Law, associate at the Consulting Firm was able to format the original version of this memo.

Seydou SIMPORE, Manager of special regimes and litigation (SRPC) at the Directorate of Legislation and Litigation of DGI has made us benefit from his vast experience and his mastery of tax matters. Always available for companies' good information, he kindly proceeded to the proofreading of all summary sheets. I thank him for his sense of the general interest and his open-mindedness.

This book could not be achieved without the careful work of my loyal and devoted employees: **Oumar YANOOGO**, my second assistant, and **Dieudonné KINDA**.

We also thank **Adama BITIE**, manager of FISCONSULT BA, always ready to competently discuss the difficult points of tax matters.

I cannot forget to thank people who were not directly involved in the writing of this book but who always supported me in my modest efforts to better understand fiscal science.

I mean the distinguished Associate Professor **Filiga Michel SAWADOGO**, former Director General of Taxes, and the very capable **Moumouni LOUGUE**, Centre Regional Director of Taxes of and teacher in tax system 3rd cycle.

Issoufou ZOUNGRANA, holder of a Master's degree in Business Law and an Advanced Plus level in Business English has cogently participated to the translation into English of this book from TITLE VIII to the end.

Patrice COULIDIATI, English teacher and holder of a Master's Degree in Translation / Interpretation has brought a valuable contribution by translating this book from the beginning up to TITLE VII.

Preface:

Tax law of Burkina Faso is based on many texts: Tax Code, Code of Registration and Stamps, Act establishing Corporate Tax, Book of Tax Procedures, Investment Code, Mining Code, Tax Treaties, etc.

These texts have been drafted and adopted at different times. In practice, it is amended at least once a year by the Finance Act, and sometimes by other laws including supplementary budgets. The accelerating pace of change is such that it takes a lot of vigilance to be aware of tax issues and not be lost.

Due to the technical nature of tax matters but also because of the emergency, the legislator's work can be complex and prone to inaccuracies or even abnormalities that limit its accessibility and undermine it.

Some provisions have a narrow scope, such as agreements aiming to avoid double taxation, while others target a wider audience such as those governing taxes such as VAT, ICP, license, residence tax.

This book, through the analysis of texts previously compiled, allows even an untrained reader to find information quickly and reliably.

It is written in short sentences and above all in the form of summary tables with double entry. Efforts have been made by the author to facilitate the reader's understanding and avoid as much as possible the use of complex expressions and terms. For example, "taxpayer" becomes "the person who pays".

In this book, each tax is presented as a summary table that gives a clear view of the rules and answers to basic questions such as who, what, how, when, where:

- **Who** (pays the tax) ;
- **What** (on what basis is the tax calculated);
- **How much** (do we pay) ;
- **When** (date of declaration and payment) ;
- **Where** (where do we declare or pay tax).

This book contains complete, reliable and explained information. Indeed, it is enhanced with explanatory comments where a provision requires it because of difficulties arising from its application.

A table of contents and a possibility to search through keywords make the research of information easy and rapid.

For all these reasons, this book is certainly a valuable tool for work that I am happy to recommend to entrepreneurs, tax advisors, practitioners of business management for whom taxation is an essential element, to teachers and students, in one word to all those who are interested in taxation, and are wishing to easily find legal information and benefit from the clear and informed comments and analyzes of the author.

Mr. Pierre ABADIE has been doing for many years an important work of compilation, explanation and dissemination of tax laws, with a reflection on the shortcomings of texts and desirable amendments, which are communicated to competent authorities. In doing so, he contributes to make the tax law fair, consistent, accessible and efficient, which contributes to the rooting of tax compliance as desired, to which a proposed tax code adoption will bring a decisive contribution.

Pr Filiga Michel SAWADOGO

Associate of Law Faculties, Professor,
Former Dean, Former Rector,
Former Director General of Taxes,
Officer of the National Order
Officer of the Order of Academic Palms

Suggestions and criticisms:

This work has been carried out with our own means, that is to say, those of an individual consultant.

No subsidy has been requested.

For, participating in common life does not only consist in paying your taxes but also in giving according to your possibilities, a bit of your time for public interest.

Despite all the care and expertise taken in preparing this document, we are aware that this is just a first edition.

We sincerely look forward to your reviews and enhancement requests.

Do not hesitate to report even minor material mistake.

Any comments made by email to pierre@abadie.bf will receive a response from us and will permit to improve the next edition.

Abbreviations used

Art.	: Article (Art)
WASCB	: West African States Central Bank (BCEAO)
BIC	: Industrial and Commercial Profits (ICP)
TNCP	: Tax on Non-Commercial Profits (BNC)
ECOWAS	: Economic Community of West African States (CEDEAO)
CRSD	: Code of Registration, Stamp Duty (CET)
DITC	: Direct and Indirect Taxes Code (CIDI)
CDS	: Contribution of Drinks Sector (CSB)
CBS	: Contribution of Breeding Sector (CSE)
CME	: Contribution of Micro Enterprise (CME)
GTO	: General Tax Office of Burkina Faso (DGI)
F or CFA	: Franc CFA
EIG	: Economic Interest Group (GIE)
TICAP (IBICA)	: Tax on Industrial, Commercial and Agricultural Profits
TID	: Tax on Income from Debts (IRC)
TILP	: Tax on Income Land Property (IRF)
TITS	: Tax on the Income from Transferable Securities (IRVM)
CT	: Corporate Tax (IS)
NRT	: Normal Real Taxation (RNI)
SRT	: Simplified Real Taxation (RSI)
LC	: Limited Company (SA)
STWS	: Single Tax on Wages and Salaries (IUTS)
FA	: Finance Act (LF)
SFA	: Supplementary Finance Act (LFC)
BTP	: Book of Tax Procedures (LPF)
OHBLA	: Organization for the Harmonization of Business Law in Africa (OHADA)
PV	: Minutes
WHT	: Withholding Tax (RAS)
GPC	: General Partnership Company (SNC)
CMP	: Charge of Mortmain Property (TBM)
EAT	: Employer and Apprenticeship Tax (TPA)
TREG	: Tax on Real Estate Gains (TPVI)
LLC	: Limited Liability Company (SARL)
WAAS	: West African Accounting System (SYSCOA)
TDT	: Tourism Development Tax (TDT)
IST	: Insurance Single Tax (TUA)
VAT	: Value Added Tax (TVA)

WAEMU : West African Economic and Monetary Union (UEMOA)
DLC : Directorate of Large Companies (DGE)

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