

Tax exemptions on donor-funded projects are varied

- The importation of goods is often exempted from custom duties, VAT and other indirect taxes
- Goods bought locally are exempted from VAT or taxes on goods and services
- Profits made by suppliers and service providers are exempted from income tax
- Employees are or can be exempted from income tax or taxes on salaries and wages
- Very often, non-resident taxpayers intervening in these projects are exempted from withholding tax

5

VAT exemptions on imports intended for public contracts with external financing

Description	Imports realized by enterprises which have been awarded public contracts with external financing, concluded for an amount exceeding 10 million FD, are exempted from VAT.								
Tax type	VAT								
Main beneficiaries	Beneficiaries of development projects and enterprises which have been awarded public contracts with external financing								
Measure type	Exemption								
Legal reference	General Tax Code (CGI), article 176 17)								
Data's source	Data on public contracts with external financing provided by Customs and/or the Ministry of Foreign Affairs and International Cooperation								
Estimation method	Exemption of the tax on imports from customs duties and taxes at the standard VAT rate to the imports' amount.								
Number of beneficiaries	<table border="1"> <thead> <tr> <th></th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Number of beneficiaries</td> <td>2 244</td> <td>2 244</td> <td>2 244</td> </tr> </tbody> </table>		2015	2016	2017	Number of beneficiaries	2 244	2 244	2 244
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	2015	2016	2017						
Value of operations in million FD	2 244	2 244	2 244						

6

VAT exemptions on supplies intended for holders of public contracts with external financing

Description	Supplies sold by a direct supplier to an enterprise which has been awarded public contracts with external financing, are subject to tax at a rate of 0%
Tax type	VAT
Main beneficiaries	Beneficiaries of development projects and enterprises which have been awarded public contracts with external financing

7

Excise duty exemption on imports intended for public markets with external financing

Description Imports for the purpose of external financing, which have been awarded public contracts with external financing, and intended for these public contracts, are exempted from excise duty

Tax type	Excise duty
Measure type	Exemption
Legal reference	Customs Code, article 227-2
Number of beneficiaries	3
Loss of earnings (in million FD)	

9

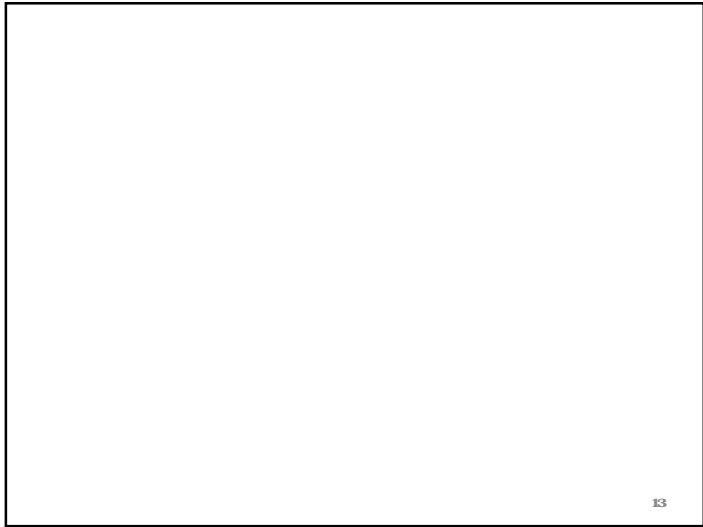
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10



**Article VIII
TAXES
SECTION 801 taxes**



13