

**Francophone Central Africa Appendix 1:
Gabon**

Nara Monkam

© 2009 Lincoln Institute of Land Policy

**Lincoln Institute of Land Policy
Working Paper**

The findings and conclusions of this Working Paper reflect the views of the author(s) and have not been subject to a detailed review by the staff of the Lincoln Institute of Land Policy.

Contact the Lincoln Institute with questions or requests for permission to reprint this paper. help@lincolnst.edu

Lincoln Institute Product Code:WP09FAA5

Gabon



Basic Country Information			
Geographic size	103,346 sq mi (267,667 sq km)	Independence	17 August 1960 (from France)
Capital city	Libreville	Population (millions)	1.454 (2008 est., <i>World Economic Outlook, April 2008</i>)
Secondary cities/towns	Port-Gentil; Franceville, Oyem, Lambaréné, Mouila	Urbanisation	83.6 % (2005 figure, <i>World Urbanization Prospects: the 2007 Revision</i>) ¹
System of government	Republic, Multiparty Presidential Regime	GDP per capita, (current prices, U.S. dollars)	9,877.63 (2008 est., <i>World Economic Outlook, April 2008</i>) ²
Government Structures			
Levels/Tiers of government	<ol style="list-style-type: none"> 1. Central government 2. Provinces (9) 3. <i>Départements</i> (47) 4. Districts (15) 5. Communes or municipalities (50) run by elected mayors and the municipal council. There are urban municipalities subdivided in <i>arrondissements</i> and the rural municipalities subdivided in villages. <p>Provinces, <i>Départements</i>, and districts are headed by a Governor, a Prefect, and a sub-prefect respectively all appointed by the President.</p> <p>They are two levels of decentralization in Gabon (local governments): the <i>Départements</i> level and the municipality level. The <i>Département</i> council and the municipal council are constituted of elected members.³</p>		
Traditional authorities or chiefdoms	No Data		
Land Issues and the Property Market			
Land tenure	State tenure Official tenure objective: Individual private tenure <i>De facto</i> dominant tenure type: Indigenous community-based, extensive but not recognized by the law (Bruce 1998).		
Land titling/registration	Individual registration of land through formal administrative structure for land registration: local land commission, courts, the Direction of Land, the Council of		

¹ This figure represents the urban population as a percentage of the total population in 2005. The 2010 figure is estimated to be around 86.0%.

² The IMF 2007 estimate of the GDP (PPP) per capita in Gabon was \$14,083.

³ According to the Fundamental Law on Decentralization (Law 15/96 of June 6, 1996) “local governments are public entities distinct from the central government and endowed with legal status and financial autonomy” (World Bank 2006).

	<p>Ministers, and the Chief of State can all administered land (Land Law 15/63 of 8 May 1963, amended in 1970)</p> <p>Most rural land is not registered and is subject to customary tenure and administered by local land chiefs, family heads, and village notables. However, according to the law, all land without a title that has not been registered as individual private property belongs to the state. Thus, all land held under customary systems are legally state owned or part of the state private domain (Bruce 1998)</p>
Land rent	<p>The state could lease any land falling under its private domain for a limit of fifty years; the lease may be renewed for up to forty-nine years (Bruce 1998).</p> <p>No mention of policies regarding land sales, rents, trades, farmers' tenure security under customary tenure.</p>
Property Market	<p>Atrophied-All land without a title that has not been registered as an individual private property belongs to the state. An individual could only sell his improved parcel of land if he has secured a title issued by a judicial judge. However, a small portion of the population in Gabon actually goes beyond the first administrative phase in the land registration process due to the considerable amount of fees and time involved in the various land registration procedures.</p>
Taxes	
National	<p>Corporate income tax on oil and non-oil companies, personal income tax, complementary wage tax,⁴ VAT, capital gains tax, National Habitat Fund tax</p>
Sub-national	<p>Business tax, license fees, highway tax ("<i>taxe vicinale</i>"), municipal tax on fuels, property taxes (on improved and unimproved property)</p>

Annual Property Tax		
Relevant Legislation: Law 14/63 of May 8, 1963		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base	<p>Property tax in improved property (Annual Rental Value)</p> <p>Property tax in unimproved property (4/5 or 80 percent of the <i>rental value</i>, which itself is equal to 10 percent of the market value of the unimproved property)</p> <p>Land Tax (area-based tax)</p> <p>TSIL (gross income from rentals)</p>	
Coverage of tax base	<p>Improved property-Construction (registered or not) set on masonry foundations, equipment of industrial plants, and commercial or industrial installations located in a <i>département</i> or municipality</p> <p>Unimproved property- All types of unimproved property, except property granted under provisional concessions</p> <p>Land tax- Building grounds, playgrounds, and unused land</p> <p>TSIL- All bare land, and all improved property used for housing or for industrial or commercial development purposes that are subject to a rental agreement</p>	

⁴ For more details, see <http://www.globeafrica.com/Gabon/gabon2.htm>, accessed on November 3rd, 2008.

Taxpayer	<p>Improved property-Persons or businesses holding a property deed, a temporary or permanent occupancy title, and who are actually residing at a property on which a taxable construction has been built.</p> <p>Unimproved property- Persons or businesses holding a property deed, a temporary or permanent occupancy title, and who are occupying the property in their own right.</p> <p>Land tax- Persons or businesses holding a property deed, a temporary or permanent occupancy title, license-holders or any individual with a usufruct right to land.</p> <p>TSIL- Individual or corporate owners who rent bare land, and improved property used for housing or for industrial or commercial development purposes</p>	
Valuation & Assessment		
Valuation	<p>Improved property-bona fide lease, declaration of rental value made by the taxpayer, comparison with other premises for which rental values have been regularly established or are well-known; or direct assessment made by the property tax agent</p> <p>Unimproved property-In urban areas, the market value is determined by means of a transfer of land property titles or assessed by comparison with similar properties in the area whose market values have been regularly recorded or are well-known. In rural areas, the market value of unimproved property is fixed per hectare on an annual and according to the type of agricultural activity.</p> <p>Land tax-In urban areas, assessment based on the surface area of the property expressed in square meter and rounded to the lowest square meter. In rural areas, assessment based on the size of the land measured in hectare and rounded to the lowest hectare unit.</p> <p>TSIL-Each year before January 31st, taxpayers must provide tax officials with a statement including among other things the name of their tenants, a specific allocation of fixed rent, the rental period, and the amount of the TSIL tax liability paid the previous year.</p>	Area-based System
Responsibility for valuations	<p>Improved and Unimproved property-tax agent</p> <p>Land tax- in urban areas, tax agent and in rural areas, taxpayers</p> <p>TSIL-Taxpayers</p>	
Valuation cycle	<p>Improved and Unimproved property-Annually</p> <p>Land tax-Annual basis</p> <p>TSIL-Every quarter</p>	
Objection & appeal	<p>Taxpayers who believe they are wrongfully taxed or over-taxed could submit a written claim to the Minister of Economy and Finance before December 31 of the following year. The Minister rules on claims within a period of six months from the date of submission. Possibility to appeal to the Administrative Court.</p>	
Quality control measures	No data	
Rate Setting and Tax Relief		

Tax rates	<p>Improved property- Uniform rates for all categories: 25 percent of 75 percent of the rental value</p> <p>Unimproved property- 25 percent of 80 percent of the rental value which is estimated at 10 percent of the market value</p> <p>Land tax- Differential rates for different property categories: square meter rate and per hectare rate depending on land location (urban or rural) and category (first category or second category)</p> <p>TSIL-15 percent of the gross income from rentals</p>	Assessed rate per square meter multiplied by the size of the land parcel, both improved and unimproved (Domanial Taxes)
Exemptions	<p>Improved property- Buildings belonging to the state, to international organizations, to municipalities, to chambers of commerce; buildings used for worship; buildings used for educational, sporting, humanitarian, or social purposes belonging to missions or to duly authorized groups; new construction, remodeling, and additions are exempt from the tax on improved property for three years starting on January 1 after completion. The length of this exemption is five years for plants and buildings used for housing, except if the buildings in question are leased out, or used as recreational homes.</p> <p>Unimproved property- Streets, public places, roads, and rivers; property belonging to the state, to international organizations, to municipalities, to chambers of commerce; land located outside urban centers and recently used for livestock farming or land that have been cleared, plowed and sowed is temporarily exempt from the land tax on unimproved property.</p> <p>Land tax- land subject to provisional grants; land exempt from the property tax on unimproved property; land used for commercial and industrial purposes, such as project sites, warehouses, and other facilities of similar nature; land temporarily exempt from the property tax on unimproved property; urban land on which construction is prohibited for the duration of the prohibition; and urban land during the two years following its acquisition.</p>	
Tax relief measures	<p>Improved property- Rebates or reductions for vacant houses and idle commercial or industrial establishments; permanent and temporary exemptions</p> <p>Unimproved property, Land tax- Permanent and temporary exemptions.</p>	
<i>Tax Administration</i>		
Billing	<p>Inform the taxpayer of tax liability immediately after emission of the tax bill notification on the first of each month by means of a sealed envelope hand delivered by tax collectors.</p> <p>TSIL- each quarter, the taxpayer must send his/her payment of the special real estate tax on rents to the Revenue Service before the 25th of the month following the collection of the rent. As aforementioned, for rentals to the state, the TSIL is withheld by the Treasury when</p>	

	rents are deposited to the owners	
Collection	<p>One-time payment of tax liability, regardless of its amount, at the latest on the last day of the first month following the month when the taxpayer list and the corresponding property tax bill notifications were emitted.</p> <p>TSIL-See Billing above</p>	
Enforcement	<p>Interest on arrears equal to 10 percent of the tax liability when tax payment has not been received, at the latest, the last day of the second month following the month when the taxpayer list and the corresponding property tax bill notifications were emitted.</p> <p>Seizure 11 days after emission of the demand notice and auction 8 days after property sale order issued by the Minister of Economy and Finance.</p> <p>TSIL- Interest on arrears equal to 5 percent of the tax liability when tax payment has not been received on the due date. Subsequently, a two percent increase will be applied each month the tax liability is not paid.</p> <p>Seizure 11 days after emission of the demand notice and auction 8 days after property sale order issued by the Minister of Economy and Finance.</p>	
<i>Additional Comments</i>		
Importance of property tax	Negligible	
Role of the property tax	Negligible	
Tax effort		
Other issues		