

**Francophone West Africa Appendix 1:
Senegal**

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Senegal



Basic Country Information			
Geographic size	75,749 sq mi (196,190 sq km)	Independence	4 April 1960 (from France) ¹
Capital city	Dakar	Population (millions)	12.519 (2008 est., World Economic Outlook, April 2008)
Secondary cities/towns	Touba, Thiès, Rufisque, Saint-Louis, Kaolack, M'Bour, Ziguinchor	Urbanisation	41.6 % (2005 figure, <i>World Urbanization Prospects: the 2007 Revision</i>) ²
System of government	Semi-Presidential Regime, Multiparty Democratic Republic	GDP per capita, (current prices, U.S. dollars)	1,027.14 (2008 est., World Economic Outlook, April 2008) ³
Government Structures			
Levels/Tiers of government	<ul style="list-style-type: none"> • Central government • Two levels of subnational government (called <i>collectivités locales</i>):⁴ • Elected regional governments (14) • Two forms of elected local government: <i>communes</i> in urban areas (150) and <i>communautés rurales</i> (rural councils) in rural areas (349) <p>Limited decentralization: subnational government officials are elected and given intergovernmental transfers but tax authority, budgeting and expenditure decisions, access to capital markets, power to remove and appoint some subnational government officials remain under central government control.⁵</p>		
Traditional authorities or chiefdoms			
Land Issues and the Property Market			
Land tenure	<p>State tenure</p> <p>Official tenure objective: Individual “leasehold”</p> <p><i>De facto</i> dominant tenure type: Indigenous community-based, extensive but not recognized by the law (Bruce 1998).</p>		
Land titling/registration	Under the National Domain Law of 1964, all unregistered lands, or lands not registered		

¹ The complete independence was obtained on August 20th, 1960 when the Mali Federation was finally dissolved.

² This figure represents the urban population as a percentage of the total population in 2005. The 2010 figure is estimated to be around 42.9%.

³ The IMF 2007 estimate of the GDP (PPP) per capita in Senegal was \$1,685.

⁴ Subnational government is defined as levels of government below the central government headed by elected officials somewhat independent from the center (Dickovick 2005).

⁵ Note that below the regions, there are two levels of state administration that oversee the local governments: the *départements* (45) and the *arrondissements* (117). However, contrary to regional and local governments, the *départements* and *arrondissements* are unelected, state-appointed levels of government. For more details, see Dickovick (2005).

	<p>within a two-year grace period became property of the state, as part of the national domain. This represents around 97-98% of the land in Senegal.</p> <p>Under the Rural Council Law of 1972 (<i>Loi Relative aux Communautés Rurales</i>), the rural councils are given the right to allocate land according to customary practice provided the land is efficiently exploited (Bruce 1998).</p>
Land rent	The 1976 Law No. 76-66 devised four methods to award rights to land: occupation authorization, ordinary lease, long-term lease, and land concession. Among these methods, only leases can be placed under a mortgage (Bruce 1998)
Property Market	Limited
Taxes	
National	Corporate income tax, minimum presumptive tax on enterprises, individual income tax, single general contribution, Employer's payroll taxes, value-added tax
Sub-national	Individual taxes (fiscal minimum tax, charge representative of the fiscal minimum tax, rural tax) Property taxes (tax on improved property or tax on buildings, tax on unimproved property, surtax on unimproved or insufficiently improved land) Professional taxes (business taxes, license fees)
Property-related Taxes: National	
Property Transfer Tax	" <i>Droits d'enregistrement</i> "
Capital Transfer Tax	
Capital Gains Tax	" <i>Taxe de plus-value immobilière</i> "
Other	Death and gift duties (" <i>Droits sur les successions, donations et legs</i> "); stamp duties (" <i>Droits de Timbre</i> "); tax on vehicles (" <i>Taxe sur les véhicules à moteur</i> "); special tax on company owned vehicles (" <i>Taxe spéciale sur les véhicules de sociétés</i> "); value-added tax (VAT).
Property-related Taxes: Sub-national	
	Tax on improved property or tax on buildings, tax on unimproved property, surtax on unimproved or insufficiently improved land

Annual Property Tax		
Relevant Legislation: Decentralization Law n° 96-06 of March 22, 1996; Law n° 2004-12 of February 6, 2004		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base	<p>Tax on Buildings: annual rental income of all built-up land</p> <p>Tax in unimproved property: market value of unimproved property</p> <p>Surtax on unimproved land: market value of unimproved land</p>	

Coverage of tax base	<p>Tax on Buildings: construction set on masonry foundations and made of iron and wood such as houses, factories, plants, and hangars</p> <p>Tax in unimproved property: all types of unimproved property located within the boundaries of commune, in urban communities, and community lots. Land in construction would also be subject to the tax in unimproved property if the building work is not completed three years after the beginning of construction</p> <p>Surtax on unimproved land: buildings with an estimated market value lower than the market value of the land on which they are erected and located in communes of the Dakar region and in chef-lieu of communes in the remaining regions of Senegal</p>	
Taxpayer	Owners of said property. Persons or businesses holding a property deed, a temporary or permanent occupancy title (e.g. usufruct, emphyteutic lease)	Emphyteutic leases are real rights in terms of which the leaseholder is expected to improve the property.
<i>Valuation & Assessment</i>		
Valuation	<p>Tax on Buildings: assessment by means of the cadastral method or failing that, by means of comparison with other premises chosen in the area for which rental values have been regularly established or are well-known. The rental value of the equipment of industrial plants is determined by means of direct appreciation as defined by the Ministry of Finance.</p> <p>Tax in unimproved property: assessment by means of the cadastral method. Failing that, the market value of unimproved property would be assessed on the basis of conveyances for taxable properties three years old or less. If an unimproved land has not been developed for three years, the market value is then determined by means of comparison with other lands that are within the same area and comparable in size, quality, and features and for which market values were assessed on the basis of conveyances of less than three years old</p> <p>Surtax on unimproved land: assessed by means of the cadastral method, on the basis of conveyances, or by comparison method.</p>	
Responsibility for valuations	Cadastral technicians and experts	Department of Taxation
Valuation cycle	Annually	
Objection & appeal	<p>Taxpayers who believe they were wrongfully taxed or over-taxed could submit a written claim to a conciliation commission created by the Ministry of Finance within two years after date of tax payment.</p> <p>Taxpayers who believe they were wrongfully taxed could also go to court within three months of receiving the tax payment notification. Should taxpayers not be satisfied with the court's ruling or the commission's decision, they may further appeal to the competent regional court within a period of</p>	

	three months following the receipt of the tax bill notification and the written notice of the claim's rejection.	
Quality control measures		
Rate Setting and Tax Relief		
Tax rates	Tax on Buildings: tax rate on improved property is set at 5 percent of the rental value for all buildings except plants and factories; and at 7.5 percent for industrial plants and factories Tax in unimproved property: the tax rate is set at 5 percent of the market value of undeveloped property Surtax on unimproved land: 1% or 2% or 3% according to market value of land	
Exemptions	Tax on buildings: buildings or constructions belonging to the state, to municipalities, and to public institutions, facilities in sea ports and internal navigation routes, drinking water or electrical power supply infrastructure systems belonging to the state and municipalities; buildings used for worship; buildings used by the owner for educational, health or social purposes Tax in unimproved property: gardens and tree nurseries created by the administration and agricultural companies of collective interest; undeveloped land used by commercial and industrial companies for purposes related to their specific activities; land surrounding residential housing; land used for sporting; land used for worship; and land used by the owner for educational and health purposes Surtax on unimproved land: lands hit with an interdiction to build; and lands for which owners are temporarily deprived of their use for reasons beyond their control	
Tax relief measures	Tax on buildings: a <i>rebate or reduction</i> may be granted to the taxpayer if it should happen that the building is vacant or the commercial or industrial factory becomes inoperative for reasons beyond the control of the taxpayer and if the premises remain idle for at least six consecutive months	
Tax Administration		
Billing	Tax bill notifications should be delivered to taxpayers on paper (hand delivered by Treasury's tax collectors).	
Collection	A payment of property tax liability, regardless of its amount, at the latest on the last day of the first month following the month when the taxpayer's roll and the corresponding property tax bill notifications were emitted.	
Enforcement	Interest on arrears equal to 10 percent of the unpaid tax liability when tax payment has not been	

	<p>received, at the latest, the last day of the second month following the month when the taxpayer's roll and the corresponding property tax bill notifications were emitted. Subsequently, an additional 10 percent interest on the principal will be added to the taxpayer's liability if payment is not received within 1 year of the application of the first interest on arrears.</p> <p>A seizure and auction could also be implemented after the following procedures have been respected: first, the Treasury's tax collector issues a demand notice giving the taxpayer 12 days to settle his debt. If after 12 days the tax liability has not been paid, the Treasury's tax collector then signs and sends out a warning letter delivered in person to the taxpayer. After the emission of the warning letter, a property seizure order may be set forth. The seizure order directing the Treasury's prosecution agents to take possession of all or part of the property would be vacated if the taxpayer acquits his debt. Finally, a property sale order would be entered if the seizure order is not vacated.</p>	
<i>Additional Comments</i>		
Importance of property tax	Negligible	
Role of the property tax	Negligible	
Tax effort	No data	
Other issues		