

## Insights on the fiscal laws and how to make them more conducive to business



In America it is said that there are two things you can count on; death and taxes. Whether you want to or not, it is a civic duty to pay taxes on earnings. In return, the government provides needed services, security, public schools, hospitals, roads and bridges to name a few. While it is acknowledged that the government's most significant revenue stream is taxes, what is not acknowledged is where the money goes?

*"There is a big difference between tariffs (custom duty and VAT) of FCMP (Animal Fat – Milk Powder) and IFFMP (Vegetable Fat – Milk Powder). While the former has a rate of 10% custom duty and exempt from VAT, the latter has a rate of 30% custom duty and VAT at 19.25%. Since IFFMP is always cheaper (in International markets) than FCMP, if we have similar duty structures and no TVA on IFFMP (as we have on FCMP), it will allow importers to bring in milk at cheaper prices. And this will help in reducing the operating cost of Yogurt Manufacturers and Biscuit Manufacturers in this country. Countries like Senegal, Nigeria, and Chad allow imports of IFFMP and FCMP at similar duty structures. This would lead to availability of milk and milk products in the country at quite affordable prices."*

*Sujay Sarkar-Olam*

(From l-r) Jean- Philippe Guillaume GM/, SGBC, David Ware Country Manager /Maersk, Laure Djoukam, CEO/ Carrières du Mounjo

This well attended luncheon by 47 members of AmCham and officials from the Embassy was an intense exchange with Principal Tax Inspector Claude Sylvain Ngneba.

In characteristic bluntness, audience members voiced their malaise. Top offenders were the number and frequency of procedures, high import duties, the high tax base and perceived corruption. Irregularities with VAT on similar items were mentioned by Sujay Sarkar of Olam.

