

**Lusophone Africa Appendix 5:
Angola**

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Angola



<i>Basic Country Information</i>			
Geographic size	1,246,700 Km ²	Independence	1975
Capital city	Luanda	Population	12.8 million (July 2009 estimate)
System of government	Multi-party democracy	Urbanisation	26%
Sub-national government	161 administrative districts.	GDP (per capita)	US\$ 8,900 (2009 est.)
<i>Sub-national Government</i>			
Expenditure responsibility	Local and Municipal Government in Angola is a budget unit of the Central Government. All resources allocated to municipalities are distributed as follows: 35 per cent goes to administration, 60 per cent to social and economic infrastructures and the remaining 5 per cent is spent on emergency interventions. It can be concluded that Central Government in Angola is responsible for all expenditures at both central and local levels. The lengthy civil war that lasted for more than 20 years is a primary cause for the current government structure and administration in Angola.		
Source of revenue	The main source of revenue in Angola is corporate income taxes, mainly from oil revenue and personal income tax.		
Importance of property tax	Property taxes are presently at Central Government level and are of less importance than property taxes in most other countries. Given the lack of the data, it was not possible to calculate property taxes as a share of total revenue collected in Angola.		
<i>Land Issues and the Property Market</i>			
Land tenure	In Angola all land belongs to the state. Land in Angola cannot be owned.		
Land titling	Leasehold only. These titles are valid for 50 years renewable for another 50 years.		
Land rent	Land is leased and a nominal rent payable.		
Property Market	There is presently no formal property market in Angola.		
<i>Taxes</i>			
National	Taxes on consumption, personal income tax, corporate income tax		
Sub-national	Property taxes and other taxes to be considered by municipalities, property transfer taxes, capital gains and real estate, succession, death duties and gift taxes, excise taxes and customs duties		
<i>Property-related Taxes</i>			
National	Property transfer tax (“sisa”); urban property tax; capital gains tax		
Sub-national	None – as local government does not formally exist.		

Property Tax		
Relevant Legislation: Imposto Predial Urbano: Diploma Legislativo No 4044 de 13 de Outubro 1970		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base	Value of buildings, determined according to regulation on net annual rental value, based on actual rentals, or, if higher, potential rental.	
Coverage of tax base	All building within urban boundaries.	
Taxpayer	All individuals with property rights of a building by January and February each collection year – i.e. the person entitled to the rent.	
Valuation & Assessment		
Valuation	No data	
Responsibility	The government official responsible of finances of the fiscal area where the taxpayer reside.	
Valuation cycle	No data	
Objection & appeal	Taxpayers of property taxes are free to consult or obtain documents of items included in matrices of valuation roll. They can object or claim at any time the items included in the matrices of valuation roll.	
Quality control measures	<p>According to legislative Diploma no 2:149 of the 04 of May of 1949, all public entities involved in the conveyances should ask for documents proving mapping and identification of the property into the municipal property matrix or in absence of this document present the declaration of request for incorporation of the property in the municipal matrix.</p> <p>The suppliers of water, electricity and telecommunication are not allowed to supply services if the individual (singular or collective) does not present proof of incorporation of the property in the municipal matrix.</p>	
Tax rates	Vary from 10 to 30 per cent.	Increases in 2002 resulted in a public outcry and refusal to pay tax.
Exemptions	<ul style="list-style-type: none"> • Buildings occupied by taxpayers paying the industrial tax; • Residential property owners when rent does not exceed a specified limit; • Charitable institutions, schools, museums, and properties made available to the public free of charge; • Properties used exclusively for public worship; • Embassies and consulates on the basis of reciprocity; • Non-profit organisations; • New housing construction for a period of 5 to 15 years. 	
Tax Administration		
Tax relief measures	No data	

Billing and Collection	Done nationally. Billing is done manually (from door-to-door) and payment collected in 4 instalments.	Weak in respect of residential properties.
Enforcement	No data	Limited – if any – enforcement in practice.
Additional Comments	Despite the 1970 law, there were no major changes in the Angolan property taxes legislation after the independence of Angola. In the case of Angola it is difficult to judge whether property taxes play an important role as source of revenue or not, since there is no data for such judgement.	

Property Transfer Tax		
Relevant Legislation: Law no 9/97 of the 17 of October, the Decree no 73/01 of the 12 of October and Decree no 8/05 of the 11 of March		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base	All buildings located in the municipal territory and divided accordingly in rustic and urban building. The value of free transmissions. The value of deals of companies subject to public registration such as alteration of social agreements, cessation of shares and others of equal value defined in due regulation. The value of use and benefit of vehicles subject to registration, and the value added due to increased value of land for building, transmission of buildings or other immovable goods as determined by regulation.	The authorities rely on the declared value and on information gathered by the inspection teams.
Coverage of tax base	There are no numbers on coverage of the tax base.	
Taxpayer	The tax on buildings is due by all owners of buildings by January and February of each year. In the case of enjoyment, the tax is due by the person who enjoys it.	
Valuation & Assessment		
Valuation	The valuation is only based on declaration from the taxpayer through the annual filing of a form of declaration approved by the responsible of finances of the area where the taxpayer reside.	
Responsibility	The government official responsible of finances of the fiscal area where the taxpayer reside.	
Valuation cycle	The legislation does not specify the valuation cycle clearly, but what is clear is that the taxpayer should file annually the form as approved by the responsible of finance of the area where he/she reside.	
Objection & appeal	All taxpayers are free to object the elements registered in the matrices which serve as base for valuation. The appeal is presented at the fiscal area where the taxpayer filed his/her valuation.	
Quality control measures	N/A	
Tax rates	Vary from 10 to 30 per cent and applicable only for succession and donation. And N/A for urban	

	building	
Exemptions	<ul style="list-style-type: none"> • state and municipal and local buildings, • building classified as national heritage or of public interest, • all other fiscal benefits fixed by special legislation as well as those that results from state accord and any legal public or private person and international convention according to legislation authorizing such exemption, • associations or municipal federations; • social security and providence institutions; • foreign states when buying urban buildings for exclusive for embassy or consul; • humanitarian associations and other institutions legally recognised by pursuing non-profit activities; 	
<i>Tax Administration</i>		
Tax relief measures	N/A	
Collection	The Central Government collect the tax and using the legislation above indicated it distributes the revenue thus resulting	
Enforcement	Enforcement is based on the legislation of 1949 (vide the section on: The African Portuguese Provinces (colonies) in the full Report)	
<i>Additional Comments</i>		