

**Property Taxation in Francophone West Africa:
Case Study of Côte d'Ivoire**

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Abstract

The Lincoln Institute and the African Tax Institute (ATI), located at the University of Pretoria, South Africa, have formed a joint venture to better understand property-related taxation in Africa. Its goal is to collect data and issue reports on the present status and future prospects of property-related taxes in all 54 African countries, with a primary focus on land and building taxes and real property transfer taxes. Each individual report aims to provide concise, uniform and comparable information on property taxes within a specific country or region, considering both the system as legislated and tax in practice. This paper provides a detailed case study of

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1. Background information

1.1 Historical and political developments

Côte d'Ivoire gained its independence from France in August 1960. Félix Houphouët-Boigny became its first president and dominated the country's economic and political life until his death in December 1993. During the 1960s and 1970s, Houphouët-Boigny led Côte d'Ivoire's emergence as one of Africa's few stable and economically successful countries. He led a broadly liberal economic system actively integrated within the world market which he combined with an essentially authoritarian mode of political regulation. The *Parti Démocratique du Côte d'Ivoire-Rassemblement Démocratique Africain* (PDCI-RDA) was the country's only political party. Côte d'Ivoire's success as an exporter of cacao (first worldwide producer) and coffee was a major factor in its stability.

These exports quickly enabled the country to achieve an enviable level of prosperity and social development, earning it the caption 'The African Miracle'. There was both an increased presence of the French working in the administration and business, and a large influx of immigrant workers from the neighboring Sahel countries Burkina Faso, Mali and Guinea, primarily for seasonal work on the cacao and coffee plantations.

When commodity prices fell in the 1980s, Côte d'Ivoire began to face serious economic and social challenges. The established model of political and economic regulation, which denied political participation but guaranteed social advancement for elites, and fixed producer prices for planters, had become unsustainable. Popular dissent increased and multiparty system was introduced in the early 1990s.

Upon Houphouët-Boigny's death in 1993 Henry Kona Bedie (then president of the national assembly) took over the reign of the country. Mr. Bedie systematically sidelined his potential political rivals, notably Alasan Ouattara who originated from the less prosperous northern part of the country. However, due to his failure to institute structural reforms coupled with a declining economy in the late 1990s, Bedie's popularity amongst his supporters dwindled. A radical political nationalism intended to systematically disenfranchise Ouattara and his northern supporters also contributed to Bedie's dwindling popularity. President Bedie was eventually overthrown in a bloodless coup in December 1999 and General Robert Guei, the coup leader, became the new president. Mr. Guei, who just as his predecessor systematically sidelined Mr. Ouattara and his northern supporters, was forced out of office by the army. He was replaced by Laurent Gbagbo, who carried on with the agenda of pushing Ouattara out of the political picture of the country, denying him the chance to participate in the 2001 parliamentary elections.

In September 2002 rebels from the northern part of the country –*New Forces* (apparently sympathizers of Mr. Robert Guie) staged a coup d'état in the mist of a wave of social unrest across the country, and have since then been in control of the northern half. All routes from the administrative south to the north have since September 2002 remained blocked and governmental control does not extend to this part of the country.

The current political structure is characterized by a unitary state with a multiparty presidential regime. The legislative branch is constituted by a unicameral national Assembly which has 225 members elected by universal suffrage for a five-year term.

1.2 Geography and economy

Côte d'Ivoire, commonly called Ivory Coast (in English, officially the Republic of Côte d'Ivoire), is a country on the coast of West Africa. It borders Liberia and Guinea to the west, Mali and Burkina Faso to the north, Ghana to the east, and the Gulf of Guinea to the south. It covers an area of 123,847 square miles (320,763 sq km). The population is more than 18 million (2005 estimate) and its capital is Abidjan; Yamoussoukro, is the capital designate. It is estimated that more than 30 percent of the population of Ivory Coast are immigrants and their descendants, the majority of whom originate from Burkina Faso. The migrants are concentrated in the mostly rural north and other rural areas of the country where they carry out agricultural activities.

The climate of Côte d'Ivoire is generally warm and humid, ranging from equatorial in the southern coasts to tropical in the middle and semiarid in the far north. There are three seasons: Warm and dry (November to March), hot and dry (March to May), and hot and wet (June to October). Temperatures average between 25 and 40°C.

1.3 The economy

The country has a GDP averaging \$29 billion over the past three years (2005, 2006, and 2007) and a per capita \$1,475.

The Ivorian economy is focused on agriculture which employs over 60 % of the workforce, provides about 28 % of the GDP and 60 % of export earnings.

The country is divided into two distinct agricultural areas. The forested area in the south produces mainly export crops such as cocoa, coffee, rubber, palm oil, banana, and pineapple, and food crops such as manioc. The savannah in the northern part produces mainly food crops such as maize, rice, millet and peanuts. Some cotton and sugar are also produced in the north. The most important product however is cocoa, of which the country is the highest world producer controlling about 40 % of the world market.

Due to its extensive forest coverage Côte d'Ivoire also has a large timber industry. About eight percent of the country is arable land

1.4 Administration and decentralization

In January 2003, President Gbagbo and rebel leaders signed what became known as ‘Linass-Marcoussis Agreement’ creating a "government of national unity" which lasted only until March 2004. Until this date a UN peacekeeping force is stationed to control a buffer zone between the rebel-controlled north of the country and the government control south. Presidential elections due to take place in 2005 have still not happened.

The present transitional administration was formed after the March 2007 peace deal (latest of a series of three peace deals since November 2004) between the New Forces and the government, in which Guillaume Soro, leader of the New Forces became prime minister.

The official capital became Yamoussoukro in 1983. However, Abidjan remains the administrative center. Most countries also maintain their embassies in Abidjan, although some have closed their missions because of the continuing violence and attacks on Europeans.

Under the present administration Côte d'Ivoire is divided into 19 regions (*régions*), which are further divided into 58 departments (*départements*). Below the departments are 231 districts or sub-departments, then 197 communes, in descending order. Each region and department is headed by a ‘Prefect’ appointed by the head of state. These are referred to as ‘territorial collectivities’. The regions, prefectures and sub-prefectures are all headed by a prefect, appointed by the Ministry of the Interior. The communes are headed by an elected mayor, who together with his assistants forms the *Executive*.

In accordance with the law on decentralization, the Communes are permitted to perform a wide range of specified functions, among other things: the provision of educational buildings and equipment; cultural and social facilities, public health and sanitary services; maintenance of roads, markets, bus stations, etc. There are also a range of administrative activities that the communes perform such as issuance of marriage certificates, birth certificates, etc. In order to perform these functions, the Communes are funded by different mechanisms which will be looked at in a latter part of this work.

All government ministries on their part have regional offices at the level of the regions, and in some cases the departments. However, since the events of September 2002 government control is somehow effective only in the southern part of the country, despite the peace deals. The administration of the country is still in a very poor shape. Above all, in the rebel controlled territories, the level and quality of the administrative and governmental services in the social sector (e.g. education, health, etc.) has suffered dramatically as a result of the violent conflict. So far, progress in restoring these services has been limited. In effect, there is no government control over the economy and related sectors in the rebel-controlled areas, though the government still endeavors to pay civil servants’ salaries in these parts of the country. Even though some ministries are headed by members of the rebel groups, they find it difficult to function properly. This is particularly due to the fact that the ministries are structured in a way that the powers of the ministers are seriously curtailed. The minister heads the ministry, assisted by a ministerial cabinet. This cabinet is composed of a director, a secretary of staff and several technical advisors. It controls and directs the central services and departments of a ministry (e.g. finance, human resources, research and development, etc.). The ministerial cabinet forms the

heart of a ministry and the cabinet's director is de facto the most influential individual within the administrative organization.

2. The land tenure system

The effects of the 2002 coup leading to the division of the country into two (with a buffer zone between, monitored by UN peacekeepers) has had a severe impact on land administration in Côte d'Ivoire.

It is important to point out that land ownership issues have contributed a great deal towards the recurrent social and political tension in Ivory Coast. As part of attempts at addressing this situation a new legislation was passed in 1998 during president Gbagbo's tenure instituting wide ranging land tenure reforms for lands situated in rural areas. Perhaps the most prominent point on this legislation is that it recognizes, and actually gives force to customary rights to land established by ancestral occupation of indigenous Ivorians. The alienation of such lands is prohibited although leasing and taking for public purposes by the state is allowed. More than 75% of Ivory Coast's land is held under this customary land tenure system where ownership is determined according to ancestral lineage.

The law also expressly denies non-native Ivorians (making up about 30% of the population) the permanent ownership rights of real property, or the transfer of such rights to their descendants. Non-natives are only allowed long-term lease rights enjoyed for up to 99 years.

The law further provides that any person, who obtains a portion of the land, be it by lineage or any such manner is required to obtain a land certificate and get the property registered within three years of acquiring same. These lands are administered by the ministry of agriculture.

The remaining balance of land is either state land or freehold land. State land is administered by the government through a specialized department of the ministry of agriculture.

2.1 Land tenure and fiscal regime affecting local collectivities (specifically communes)

This is governed a 2003law (no. 2003-489 of 26th December 2003)

This law stipulates basically that all fiscal operations, including the levying and collection of taxes must be expressly prescribed by law (such as the finance law) or authorized by the Minister of the Economy and Finance.

With specific reference to the property tax and related taxes their definition and governing rules are spelled out by the Ministerial cabinet, the General Tax Code (CGI) or and supplemented by the finance law, notwithstanding that they are collected at the local level.

3. Sources of revenue for local communes

- fiscal revenues (local taxes and levies);
- transfers of centrally collected taxes for communes' purposes;
- user fees or charges;
- state subvention (equipment subvention to help collectivities realize certain key development objectives, treasury advances to help collectivities address financial insufficiencies, the state can also cede part or all of the revenue from its private estate or property situated in the jurisdiction of a given collectivity to that collectivity)
- loans (can only be contracted following guidelines laid down by decree of the ministerial cabinet;
- foreign assistance;
- revenue from assets and other belongings such as share capital;
- proceeds from the sale of property and other belongings; and
- grants.

Of all the above mentioned sources of finance, the one which seems probably, to be the most important, and which has generated a lot more concern in recent years is the 'state subventions'. Every year the government allocates finance for the effective functioning of all communes. The amount to be received by each collectivity is determined by the ministerial cabinet, while the global amount is specified in the finance law each year. The finance law also lays down all state taxes collected at the local level each year, and the proceeds of which shall be wholly or partly ceded to local collectivities as endowment for their functioning. The projected amount of the global endowment for each year is also found in the finance law for that year, and is calculated following modalities laid down by ministerial cabinet.

The state is also expected, in principle to allocate, on an annual basis, endowments to local collectivities to defray costs resulting from transfer of competencies consequential on decentralization. This amount forms part of the state's budgetary allocation.

4. The fiscal environment and real property tax

All taxes in Ivory Coast are administered by the General Directorate of Taxes, which is a specialized body under the Ministry of Economy and Finance.

The main legislative provisions governing the establishment and collection of taxes, including the property tax are embodied in a document called the General Tax Code (*Code Général des Impôts –CGI*), supplemented by the annual finance law. Worthy to note here that there has been extensive reform in the domain of property taxation following the 2007 finance law which went operational in January 2008.

The remaining portion of this report outlines the manner in which land and other real property are taxed in Ivory Coast. It outlines the way in which property is classified for valuation purposes, the way the tax base is determined, the tax rate, as well as exemptions, where they exist. It also briefly outlines the way in which proceeds from property taxation are repartitioned between the central government and local collectivities.

5. Tax on real estate

5.1 Tax on developed property

As would be noticed, most of the rules applicable to the personal income tax on real estate earnings are applicable to the tax on developed property.

(a) Taxable properties

An annual property tax is levied on all built properties, such as houses, installations, factories and in general all buildings constructed in bricks, iron, and wood, permanently attached to the ground. Any exceptions to the above should be clearly stated in the CGI.

- Uncultivated lands being used for commercial or industrial purposes, whether by the owner or by another person.
- Vessels stationed in a fixed position, and used as a living house, for industry, commerce or service provision, even if only supported by a mooring cord.

(b) Exemptions

- Buildings and other structures belonging to the state, public establishments and decentralized collectivities, used for the general benefit of the public, and not for any profit making purpose.
- Marine, ports and fluvial, aerial or ground navigation installations ceded for public use, by the state to Chambers of commerce, industry or agriculture; or to municipalities for well defined use.
- Public works installations belonging to the state or decentralized collectivities, and set aside for the distribution of water and electricity.
- Buildings and other places used for public worship.
- School buildings not used for any profit making purpose.
- Buildings used for the provision of medical and social assistance.
- Buildings used by agricultural establishments to store animals and harvests.
- Compartments made of straw.

- Buildings and installations belonging to the state railway corporation.
- *State owned buildings and structures situated in and around airports and ports allocated to ports and airports authorities for the realization of their objectives.
- *Ivorian Ports Authority's facilities and structures directly used for their routine operations, excluding those hired out.
- Buildings used as sporting facilities and offices belonging to or freely allocated to legalized sporting associations, and not used for any profit making activity.
- Sporting grounds, dispensaries, markets, bridges, routes and roads put at the disposal of employees of agricultural and mining corporations at their exploitation site, and which do not generate any kind of property revenue.
- Non-income generating buildings and other installations placed at the disposal of state owned corporations provided these do not impact on their balance sheets.
- *Buildings and other installations belonging to the state and placed at the disposal of airports, aeronautic and meteorological development authorities.
- *Buildings belonging to aeronautic, airport and meteorological development authorities and which are used directly for the realization of their operations.
- Big taxpaying enterprises involved in the manufacture of building, construction and other intermediary material. This exoneration covers their period of installation and exploration.
- Property belonging to the Ivorian Institute of Agronomic Research.
- *Properties belonging to charitable foundations working for public good. Any property that is leased out by such an entity is excluded from the exoneration

(c) The tax base

The tax base is the rental value of the property for the previous year.

The rental value of the land and buildings of any nature, as well as any portion of vacant land forming part of the building, are taken into account in determining the rental value to serve as the tax base for the developed property.

Determination of the rental value: The valuation process is done annually by the tax administration of the area where the property is located.

The rental value is considered to be the amount of money that the property owner gets from leasing out the property, or where he is the occupant, the amount he would have gotten if he rented out the property.

The rental value is determined from the written or verbal lease contracts entered under normal circumstances. In the absence of such information the value is established by making a comparison with similar properties in the same area for which such information readily available.

Where the value cannot be determined by using any of the above means the tax administration uses its discretion to do a direct assessment: In this situation the tax administration determines not only the rental value, but also the market value and average returns on real property transactions for each category of property in the area.

In the case of a property used for industrial or commercial activities, the rental value is determined according to the use for which it is allocated, including the rental value of the land itself. Properties being used for activities considered to generate high yields will attract higher rental values.

(d) The tax rate

- (i) The tax rate on is 4 % of the rental value.

The basis for this rate is that the house is being occupied by the owner as his residence and not for any commercial or industrial purpose.

The above rate also applies to the following cases:

- A single house occupied by the owner as his main habitat; and
- A single secondary residence, in the personal use of the owner and which does not generate any property income. However in the case of a secondary residence the owner must obtain a 'certificate of secondary residence' from the General Directorate of Taxes, otherwise the applicable tax rate shall be 11 %.

- (ii) The rate is 15 % of the rental value for buildings belonging to moral persons and enterprises, and which buildings are being used for their own businesses. This increased rate also applies to properties belonging to individuals, and which are being used for their own commercial purposes.

5.2 Tax on undeveloped property

This is an annual levied on undeveloped properties

The tax is levied on undeveloped lands and immovable situated in built-up or urban towns. It also includes lands that have been mapped out into plots by the administration, and found within the administrative maps of urban towns. The tax is also levied on undeveloped properties which, though not situated within the parameters of built-up towns, are nonetheless destined for the construction of houses, factories, hangars and which constructions are not principally for purposes of agricultural exploitations.

Properties situated in rural areas are exempted.

(a) The tax base

The tax base is the market value of the property as at the 1st of January of the year of imposition.

- Determination of the market value.

For properties situated within the periphery of built up towns and cities the valuation is carried out in each commune by special council commissions appointed by decree of the minister of finance. The composition and terms of reference of these commissions are set by decree issued by the ministerial cabinet.

For each year of imposition of the tax, the determination and establishment of the market value is done during the last two months of the preceding year by the special council commission.

For other taxable properties not found within built-up towns the valuation is done either by comparison with like properties within the same area or by direct discretionary assessment of the tax administration.

(b) Exemptions

The following are exempted from the tax on undeveloped properties:

- Lands on which, because of their topography, any kind building or construction has been temporarily or permanently forbidden by the administration.
- Land on which the owner has been temporarily deprived of, or cannot enjoy his property rights due to a situation of fact independent of his will.
- State owned land or that belonging to territorial collectivities and being used by the public, but which do not generate any income.
- Nurseries and experimental gardens created by the administration or agricultural groupings aimed at carrying out improved seeds and plants selection.
- Lands used for school, worship, social or medical assistance, or by associations known for and authorized to carry out physical education training and military preparations.
- Lands around developed properties and those used for commercial or industrial purposes, the value of which are normally considered when calculating income from the developed properties or tax on inherited developed properties.
- Playing grounds or installations belonging to or freely put at the disposal of legalized sporting associations, and which do not generate any income.
- Lands belonging to the National Agronomic Research Centre and used solely for the accomplishment of their mission.

- Big taxpaying enterprises involved in the manufacture of building, construction and other intermediary material. This exoneration covers their period of installation and exploration.

(c) Persons liable

The tax on undeveloped property is an annual tax payable by the property owner, the agent or by the person who has right of control over the property as at January 1st of the year of imposition.

(d) The tax rate

The tax rate is fixed at 1,5 % of the market value.

This rate only applies as from the end of the second year following that during which the land was acquired. The practice is that the property owner has to declare the tax, but is not required to pay for the first two years after acquiring the property.

The place of imposition and collection is the state treasury or regional tax office of the area where the property is situated.

6. Other related taxes

6.1 Communal tax on undeveloped property

This tax was instituted by law no. 81-1130 of 30th December 1981 governing the fiscal regimes of councils and the city of Abidjan. This is a communal tax imposed and collected in addition to the property tax on undeveloped property.

The tax base is the market value as at January 1, of the year of imposition, and is calculated in the same manner as the tax on undeveloped property.

The tax rate is fixed at 0,5 % of the market value and is collected in the same manner as the tax on undeveloped property described above.

The practice is that this communal tax is declared on the same form (document) and collected at the same time with the tax on undeveloped property.

6.2 Personal income tax on real estate earnings

(a) Taxable properties

An annual property tax is levied on all built properties, such as houses, installations, factories and in general all buildings constructed in bricks, iron, and wood, permanently attached to the ground. Any exceptions to the above should be clearly stated in the CGI.

Also subjected to the property tax are:

- Uncultivated lands being used for commercial or industrial purposes, whether by the owner or by another person, and whether as a freehold or a leasehold.
- Vessels stationed in a fixed position, and used as a living house, for industry, commerce or service provision, even if only supported by a mooring cord.

(b) Exemptions

- Buildings and other structures belonging to the state, public establishments and local governments, used for the general benefit of the public, and not for any profit making purpose.
- Marine, ports and fluvial, aerial or ground navigation installations ceded for public use, by the state to Chambers of commerce, industry or agriculture; or to municipalities for well defined use.
- Public works installations belonging to the state or local governments, and set aside for the distribution of water and electricity.
- Buildings and other places used for public worship.
- School buildings not used for any profit making purpose.
- Buildings used for the provision of medical and social assistance.
- Buildings used by agricultural establishments to store animals and harvests.
- Compartments made of straw.
- Buildings and installations belonging to the state railway corporation.
- *State owned buildings and structures situated in and around airports and ports allocated to ports and airports authorities for the realization of their objectives.
- *Ivorian Ports Authority's facilities and structures directly used for their routine operations, excluding those hired out.
- Buildings used as sporting facilities and offices belonging to or freely allocated to legalized sporting associations, and not used for any profit making activity.
- Sporting grounds, dispensaries, markets, bridges, routes and roads put at the disposal of employees of agricultural and mining corporations at their exploitation site, and which do not generate any kind of property revenue.
- Non-income generating buildings and other installations placed at the disposal of state owned corporations provided these do not impact on their balance sheets.

- *Buildings and other installations belonging to the state and placed at the disposal of airports, aeronautic and meteorological development authorities.
- *Buildings belonging to aeronautic, airport and meteorological development authorities and which are used directly for the realization of their operations.
- Big taxpaying enterprises involved in the manufacture of building, construction and other intermediary material. This exoneration covers their period of installation and exploration.
- Property belonging to the Ivorian Institute of Agronomic Research.
- *Properties belonging to charitable foundations working for public good. Any property that is leased out by such an entity is excluded from the exoneration

(c) The tax base

The tax base is the rental value of the property for the previous year.

The rental value of the land and buildings of any nature, as well as any portion of vacant land forming part of the building, are taken into account in determining the rental value to serve as the tax base for the developed property.

Determination of the rental value: The valuation process is done annually by the tax administration of the area where the property is located.

The rental value is considered to be the amount of money that the property owner gets from leasing out the property, or where he is the occupant, the amount he would have gotten if he rented out the property.

The rental value is determined from the written or verbal lease contracts entered under normal circumstances. In the absence of such information the value is established by making a comparison with similar properties in the same area for which such information readily available.

Where the value cannot be determined by using any of the above means the tax administration uses its discretion to do a direct assessment: In this situation the tax administration determines not only the rental value, but also the market value and average returns on real property transactions for each category of property in the area.

In the case of a property used for industrial or commercial activities, the rental value is determined according to the use for which it is allocated, including the rental value of the land itself. Properties being used for activities considered to generate high yields will attract higher rental values.

(d) Persons liable

The tax is paid for the entire year by the owner or whoever is in possession of the property as at the 1st of January of the year of imposition.

In the case of a usufruct use, the tax has to be paid by the beneficial user, the name of whom has to figure in the tax register alongside that of the proprietor.

In the case of an extended or long lease the tax has to be paid by the leaseholder.

Where the owner of a parcel of land or building, considered to be of low value leases the property, with the tenant covenanted to construct a more valuable building which shall, at the end of the lease revert to the landlord without any charges, encumbrances or indemnity, the tax on income from the property is to paid by the tenant during the whole duration of the lease.

(e) The tax rate

The tax rate is fixed at 11 % of the rental value.

In special circumstances this rate can be brought down to 4 % (See exemptions above marked with asterisks). This reduced rate applies where these categories property that are otherwise exempted are leased out.

6.3 Public hygiene and sanitation tax

This tax is levied on properties exonerated from tax on income from property and the property tax. This tax is also due from all properties belonging to diplomatic missions and international organizations.

The tax rate is 2 % of the rental or supposed rental value of the property.

The procedure for the collection of this tax is the same as with the tax on developed property described above.

The proceeds from the tax go entirely into the coffers of the council area in which it is collected.

7. General provisions regarding the declaration, establishment and payment of the tax

7.1 Obligation to declare

For purposes of determining the rental value and the market value which serve as the tax base for the tax on income from property and the property tax, the property owner, or where there exists a sublease, the principal tenant, or caretaker is required to make a tax declaration in person at the taxation office of the place where the property is situated. This must be done each year between

the 1st of January and the 15th of February. This requirement is the same for all other property-related taxes.

Enterprises on their part must declare by the 31st of January.

7.2 Establishment, imposition and collection of the tax.

Valuation rolls are established annually and kept by the regional tax administration for the whole region. The rolls are established from the market values and rental values obtained or determined in the manner described above, and the collection of the tax is done following these rolls.

The tax on income from real property and the real property tax can be paid in two fractions into the state treasury.

The first fraction is due by the 15th of February, while the second fraction is due no later than two months afterwards.

Where the legal taxpayer cannot be reached the occupants or tenants of the property shall be required to deduct the tax from their rents and pay it directly into the treasury.

Where the tax is not paid by the due date, a penalty of 25 % is imposed.

8. Sharing of the property tax revenue between the state and decentralized collectivities

The modalities for sharing are laid down in a 2004 law (no. 2004-271 of 15th April 2004) on the repartition of taxes between the state and local collectivities.

According to the above law the totality of revenue from tax on income from property goes to the state, while the totality of the proceeds from real property tax goes to the local collectivities.

This revenue that goes to the region is shared among the different levels of local collectivities as follows:

- a) Region = 17 %
- b) Departments = 28 %
- c) Districts = 6 %
- d) Towns = 6%
- e) Communes = 43 %.

With respect to hygiene and sanitation tax the local collectivities receive 90 % while the remaining 10 % goes to the state. The portion that goes to the collectivities is shared as follows:

- f) Region = 15%

- g) Departments = 25%
- h) Districts = 5%
- i) Towns = 5%
- j) Communes = 40%.

Still concerning repartition, 40 % of the proceed from the tax on income from property that goes to the state is paid to the organ that is in charge of excavation and drainage in cities and towns across the country. 40 % of the same revenue goes to the organ charge with the collection and management of domestic waste.

Commentary: However, since the enactment of this law the said organ was only able to carry out limited drainage and excavation in the cities of Abidjan and Yamoussoukro. Local government authorities have therefore been left to sort out alternative means of doing drainage and excavation in their areas.

9. Appeals

The appeals and objection procedure is much similar to those in Cameroon. A taxpayer who deems to have suffered a prejudice from the hands of the tax administration is entitled to bring a challenge before the head of the regional tax administration service of the region concerned, then the General Directorate of Taxes and Lands (*recours gracieux*). At this stage it is the hierarchy of the tax administration that entertains the complaint. Where the taxpayer is not satisfied with the outcome at this stage he can take his case up to the Ministry of finance, which is the supervisory authority of the General Directorate of Taxes and Lands.

Where the injured person does not obtain redress by administrative means he is entitled to lodge a complaint with the court. (*recours en contentieux*). Court action can go right up to the administrative the Administrative bench of the Supreme Court.

10. Observation and conclusion

It was observed that property taxation in Côte d'Ivoire, just as in Cameroon and the CAR, has an extremely limited coverage. The situation is made even worse by the extensive prevalence of traditional and customary land tenure systems. It is however envisaged that the ongoing reforms in the domain will the coverage, especially considering the increasing rate of urbanization, particularly in the southern part of the country. Additionally, stakeholders are in the process of discussing the introduction of other property-related taxes such as the capital gains tax and property transfer tax, as well as the VAT in the near future.

With respect to collection and enforcement officials of the tax administration report that the average collection rate for the past three years stand at about 65 percent. They also talk of widespread evasion and avoidance of the tax. This is probably due to inefficiencies in the administration.