

1976 Income and Inheritance Tax Agreement, as Amended (English Translation)

Treaty Partners: Cameroon; France

Signed: October 21, 1976

Status: In Force

History: This agreement, signed [October 21, 1976](#), has been amended by protocols signed [March 31, 1994](#) and [October 28, 1999](#).

Editor's Note: The text presented below incorporates changes made by protocols, exchanges of notes, and other similar agreements to show the text of the treaty as it currently reads. Only those subsequent agreements that amend the text of the treaty (rather than provide explanatory information), and that have entered into force have been incorporated into the text.

TAX AGREEMENT BETWEEN THE GOVERNMENT OF THE FRENCH REPUBLIC AND THE GOVERNMENT OF THE REPUBLIC OF CAMEROON

The Government of the French Republic and the Government of the Republic of Cameroon, desiring to avoid double taxation as far as is possible and to establish rules of reciprocal assistance with respect to taxes on income, succession duties, registration taxes and stamp duties, have decided to conclude the present Agreement.

Title I

General Provisions

Article 1

For the purposes of this Agreement:

1. The term "person" means:

- (a) Any individual;
- (b) Any body corporate;
- (c) Any unincorporated group of individuals.

2. The term "France" means the European departments and overseas departments (Guadeloupe, Guyana, Martinique and Reunion) of the French Republic and any areas outside the territorial waters of France in which France may exercise rights with respect to the sea-bed and subsoil thereof and their natural resources.

The term "Cameroon" means the territory of the Republic of Cameroon and any areas outside the territorial waters of Cameroon in which Cameroon may exercise rights with respect to the sea-bed and subsoil thereof and their natural resources.

3. The term "company" means any legal entity or any entity considered, for taxation purposes, to be a legal entity.
4. The terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise operated by a person domiciled in a Contracting State and an enterprise operated by a person domiciled in the other Contracting State.
5. The term "international traffic" means any transport by ship or aircraft operated by an enterprise whose effective place of management is situated in a Contracting State, except when such ship or aircraft is operated solely between places in the other Contracting State.

Article 2

1. For the purposes of this Agreement, an individual shall be deemed to be domiciled in the place in which he has his "permanent home", the latter expression being understood to mean the centre of vital interests, i.e., the place with which his personal relations are closest.

Where the domicile of an individual cannot be determined on the basis of the foregoing subparagraph, he shall be deemed to be domiciled in that one of the Contracting States in which he principally resides. If he resides for equal periods in each of the two States, he shall be deemed to have his domicile in the Contracting State of which he is a national. If he is a national of neither Contracting State, the competent authorities of the Contracting States shall settle the question by mutual agreement.

2. For purposes of the Convention, the domicile of legal entities, and groups of individuals not considered as legal entities, is considered to be the site of their place of effective management.

Article 3

The term "permanent establishment" means a fixed place of business in which the business of the enterprise is wholly or partly carried on.

- (a) The following shall in particular be deemed to be permanent establishments:
 - (aa) A place of management;
 - (bb) A branch;
 - (cc) An office;
 - (dd) A factory;
 - (ee) A workshop;

- (ff) A mine, quarry or other place of extraction of natural resources;
 - (gg) A building site or a construction, assembly or installation project;
 - (hh) A fixed place of business used for the purpose of storage, display and delivery of goods or merchandise belonging to the enterprise;
 - (ii) A stock of goods or merchandise belonging to the enterprise maintained for the purpose of storage, display and delivery;
 - (jj) A fixed place of business maintained for the purpose of purchasing goods or merchandise or of collecting information which is the actual object of the business of the enterprise;
 - (kk) A fixed place of business used for the purpose of advertising.
- (b) The term "permanent establishment" shall be deemed not to include:
- (aa) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - (bb) The maintenance of a fixed place of business solely for the purpose of the supply of information, for scientific research or for similar activities which, so far as the enterprise is concerned, are of a preparatory character.
- (c) A person in a Contracting State on behalf of an enterprise of the other Contracting State -- other than an agent of an independent status within the meaning of subparagraph (e) below -- shall be deemed to constitute a "permanent establishment" in the first-mentioned State if he has, and habitually exercises, in that State an authority to conclude contracts in the name of the enterprise.
- Such authority shall, in particular, be deemed to be exercised by an agent who habitually has available to him in the first-mentioned Contracting State a stock of goods or merchandise belonging to the enterprise from which he regularly fills orders received by him on behalf of the enterprise.
- (d) An insurance enterprise of a Contracting State shall be deemed to have a permanent establishment in the other Contracting State if it collects premiums in the territory of that State or insures risks situated therein through a representative who is not an agent within the meaning of subparagraph (e) below.
- (e) An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, provided that such

persons are acting in the ordinary course of their business. However, if the agent whose services are used has available to him a stock of goods or merchandise on consignment from which the sales and deliveries are made, such stock shall be deemed to imply the existence of a permanent establishment of the enterprise.

- (f) The fact that a company which is domiciled in a Contracting State controls or is controlled by a company which is domiciled in the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

Article 4

For the purposes of this Agreement, rights which are governed by the taxation laws relating to real property, and rights of usufruct in immovable property, with the exception of claims of any kind secured by pledge of immovables, shall be deemed to be immovable property.

The question of whether a property or a right is an immovable property or a right in respect of immovable property or can be considered to be an accessory to real property shall be decided in accordance with the laws of the State in which the property in question or the property to which the right in question relates is situated.

Article 5

1. Individuals who are nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which individuals who are nationals of that other State are or may be subjected in the same circumstances, especially with respect to their domicile. This provision shall also apply to individuals who are nationals of a Contracting State and whose domicile is not in one or both of the Contracting States.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favorably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities.
3. Except where the provisions of paragraph 1 of Article 11, of paragraph 7 of Article 15, or of paragraph 7 of Article 20 apply, interest, royalties and other disbursements paid by an enterprise of a Contracting State to a person domiciled in the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a person domiciled in the first-mentioned State. The provisions of this Convention, and especially those of this paragraph, shall not exclude France from applying Article 212

of its general tax code or other similar provisions which would amend or replace those of this Article.

4. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more persons domiciled in the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
5.
 - a) When an individual is engaged in employment in a Contracting State, the contributions to an established retirement plan recognized for tax purposes in the other Contracting State, made by this individual, are deductible in the first State when determining the taxable income of this individual, and for fiscal purposes, they are treated in the first State in the same way as the contributions to a retirement plan recognized for tax purposes in the first State and subject to the same conditions and restrictions, provided that the retirement plan is accepted by the competent authority in this State as corresponding in general to a retirement plan recognized for tax purposes in this State.
 - b) For the application of a:
 - (i) the expression "retirement plan" designates a plan in which the individual participates in order to benefit from retirement benefits payable on the basis of the position described in a, and
 - (ii) a retirement plan is recognized for tax purposes in a State if the contributions to this plan entitle the taxpayer to a tax break in this State.
6. The provisions of this Article shall, notwithstanding the other provisions of the Convention, apply to taxes of every kind or description.
7. If a treaty or a bilateral agreement to which the Contracting States are contracting Parties, other than the present Agreement, were to include a non-discrimination clause or a most-favored-nation clause, it shall be understood that only the provisions of this Article, with the exception of such clauses, shall apply for taxation purposes."

Article 6

In the application of the provisions of this Agreement, the term "competent authorities" means:

-- In the case of France, the Minister of Economic Affairs and Finance;

-- In the case of Cameroon, the Minister of Finance; or their duly authorized representatives.

Article 7

As regards the application of this Agreement by one of the Contracting States, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the laws in force in that State concerning the taxes referred to in this Agreement. It shall be understood that any interpretation accorded by tax laws shall override any interpretation accorded by other branches of the law.

Title II

Double Taxation

Chapter I

Income Taxes

Article 8

1. This chapter shall apply to taxes on income levied in whatsoever manner on behalf of either Contracting State or its local authorities.

The expression "taxes on income" shall be deemed to mean taxes levied on total income or on elements of income (including capital appreciation).

2. The object of the provisions of this chapter is to avoid double taxation such as might result, for persons (as defined in article 1) having their fiscal domicile, determined in accordance with article 2, in one of the Contracting States, from the simultaneous or successive collection in that State and the other Contracting State of the taxes referred to in paragraph 1 above.
3. The existing taxes to which the Convention shall apply are in particular:
 - a) in France:
 - i) l'impôt sur le revenu (income tax);
 - ii) the general social contributions;
 - iii) the contributions for the reimbursement of the social debt;
 - iv) l'impôt sur les sociétés (company tax);
 - v) l'imposition forfaitaire annuelle sur les personnes morales (annual lump-sum tax on legal entities);
 - vi) la taxe sur les salaires (tax on salaries);

as well as all withholdings, prepayments and advance deductions on these taxes.

(which shall be referred to hereinafter as the "French tax"):

- b) in Cameroon:
 - i) l'impôt sur le revenu des personnes physiques (taxe proportionnelle et surtaxe progressive) (individual income tax [proportional tax and progressive surtax]);
 - ii) l'impôt forfaitaire sur le revenu des personnes (tax deducted at the source);
 - iii) l'impôt sur les sociétés ou l'impôt minimum forfaitaire sur les sociétés (company tax or the minimum tax collected);
 - iv) la taxe spéciale sur les revenus versés aux personnes domiciliées hors du Cameroun (special tax on income paid to persons domiciled outside of Cameroon);
 - v) la contribution au Crédit foncier et les autres taxes assises sur les salaires (taxes paid to the landed property loan fund and other taxes assessed on salaries)

as well as prepayments, communal supplements and other surcharges on these taxes;

(which shall be referred to hereinafter as the "Cameroon tax").

- 4. The Agreement shall also apply to any identical or similar taxes which are imposed in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any changes made in their taxation laws as soon as such changes are promulgated.
- 5. If, owing to changes in the taxation laws of either of the Contracting States, it appears expedient to adapt certain articles of the Agreement without affecting its general principles, the necessary adjustments may be made, by agreement, through an exchange of diplomatic notes.

Article 9

Income from immovable property, including profits from agricultural and forestry enterprises, shall be taxable only in the State in which the property is situated.

Article 10

1. Income from industrial, mining, commercial or financial enterprises shall be taxable only in the State in which a permanent establishment is situated.
2. Where an enterprise maintains permanent establishments in both Contracting States, each State may tax only the income derived from the operations of the permanent establishments situated in its territory.
3. Such taxable income may not exceed the amount of the industrial, mining, commercial or financial profits realized by the permanent establishment, including, where appropriate, any profits or advantages derived indirectly from that establishment or credited or granted to third parties either by increasing or decreasing purchase or selling prices or by any other means. A share of the executive and general administrative expenses of the head office of the enterprise is chargeable to the profits of the various permanent establishments in proportion to the total sales, excluding tax, realized by each of them. This apportionment is performed by the enterprise, who shall notify each competent tax authority concerned within the period provided for by the tax laws of each Contracting State for the purpose of declaring its income.
4. Where taxpayers with business in both Contracting States are not required under the internal legislation of those States to keep regular accounts showing separately and exactly the profits accruing to the permanent establishments situated in each State, the amount of profit taxable by each State may be determined by apportioning the total earnings between the two States in proportion to the turnover realized in their respective territories.
5. If one of the establishments situated in either Contracting State realizes no turnover, or if the business carried on in the two States is not comparable, the competent authorities of the two States shall consult each other to establish the manner in which paragraph 4 above is to be applied.

Article 11

1. Where an enterprise of one of the Contracting States, by virtue of its participation in the management or the capital of an enterprise of the other Contracting State, makes or imposes upon the latter enterprise, in their commercial or financial relations, conditions differing from those which it would make with any other enterprise, all profits which would normally have appeared in the accounts of one of the enterprises but which have in this manner been transferred to the other enterprise may be incorporated in the taxable profits of the first enterprise.
2. An enterprise shall in particular be deemed to participate in the management or the capital of another enterprise when the same persons participate directly or indirectly in the management or the capital of both enterprises.

Article 12

1. Profits from the operation of ships or aircraft in international traffic and income from activities related to such operation shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
2. If the place of effective management of a shipping enterprise is aboard a ship, then it shall be deemed to be situated in the Contracting State in which the home harbor of the ship is situated, or, if there is no such home harbor, in the Contracting State in which the operator of the ship is domiciled.
3. The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency.

Article 13

1. Dividends paid by a company domiciled in a Contracting State to a person domiciled in the other Contracting State may be taxed in that other State.
2. However, such dividends may also be taxed in the State in which the company paying the dividends is domiciled and according to the laws of that State, but if the recipient is the beneficial owner of the dividends the tax so charged shall not exceed 15 percent of the gross amount of the dividends.

The provisions of this paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. A person domiciled in Cameroon who receives dividends paid by a company domiciled in France may obtain a refund of the prepayment insofar as the latter was effectively paid by said company by reason of such dividends. The gross amount of the refunded prepayment is considered to be a dividend for purposes of the Convention. It is taxable in France in accordance with paragraph 2.
4. The term "dividends" as used in this Article means income from shares, "jouissance" shares or "jouissance" rights, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as that income which is subject to distribution treatment by the tax laws of the Contracting State in which the company making the distribution is domiciled. The income referred to in Article 18 is not considered as dividends.
5. The provisions of paragraphs 1, 2 and 3 shall not apply if the beneficial owner of the dividends, being domiciled in a Contracting State, either carries on a trade or business in the other Contracting State in which the company paying the dividends is domiciled, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 10 or Article 23, as the case may be, shall apply.

6. Where a company domiciled in a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a person domiciled in that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other State.

Article 14

1. Notwithstanding the provisions of paragraph 2 of Article 5, and of paragraph 7 of Article 13, when a company domiciled in a Contracting State is subjected therein to the payment of a tax on the distributions of income as defined in paragraph 5 of Article 13, and it has one or several permanent establishments in the territory of the other Contracting State, by reason of which it is subjected, in accordance with the laws of that other State, to a withholding tax on such distributions, such withholding tax is charged under to the following conditions:
 - a) the tax rate shall not exceed 15 percent;
 - b) it shall apply to that part of the amount of the company's effective distributions which is subject to the payment of tax on distributions in the first-mentioned State.
2. That part provided for in the preceding paragraph shall correspond, in each fiscal year, to the ratio A/B. The letter A represents the total income, excluding tax, earned by the company in all the permanent establishments which it owns in the Contracting State in which it is not domiciled. The letter B designates the total sales, excluding taxes, made by the company.
3. The provisions of paragraphs 1 and 2 shall not apply to that share of the distributions which corresponds to income from equity interest held by the company in the capital of other companies.
4. As for the outcome of audits performed by the competent tax authorities, tax adjustments are made on the amount of sales made during the fiscal period and such adjustments are taken into consideration when modifying the part defined in paragraph 2. The adjustments related to the amount of revenue concerned, but not affecting the part defined in paragraph 2, give rise, according to the applicable laws in each Contracting State, to a supplementary tax applied in the same proportion as in the initial tax.
5. The part defined in paragraph 2 is calculated by the company which notifies each of the competent tax authorities within the period that it has been granted by the laws of each Contracting State for the purpose of declaring the taxable income

distributions which it makes. In addition to the documents which the company is required to provide to or file with each of these tax authorities by virtue of domestic law, the company must provide the tax authority of the other State with a copy of the documents presented or filed.

6. The competent authorities of the Contracting States, as may be required, shall by mutual agreement settle the mode of application of this Article.

Article 15

1. Interest arising in a Contracting State and paid to a person domiciled in the other Contracting State may be taxed in that other State.
2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the recipient is the beneficial owner of the interest the tax so charged shall not exceed 15 percent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraph 2, the interest mentioned in paragraph 1 shall only be taxable in the Contracting State of which the recipient of the interest is a resident if this person is the beneficial owner of this interest and if one of the following conditions is met:
 - a) this person is one of the Contracting States, one of their local authorities, or one of their public law corporations;
 - b) the interest is paid by a person referred to in a);
 - c) the interest is paid in connection with the credit sale of industrial, commercial or scientific equipment, or in connection with the credit sale of goods or merchandise or the providing of services by an enterprise of a Contracting State to an enterprise of the other Contracting State.
4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures, including premiums and lots attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.
5. The provisions of paragraph 1, 2 and 3 shall not apply if the beneficial owner of the interest, being domiciled in a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 10 or Article 23, as the case may be, shall apply.

6. Interest shall be deemed to arise in a Contracting State when the payer is that State itself, one of its local authorities, one of their public law corporations, or another person domiciled in that State. Where, however, the person paying the interest, whether he is domiciled in a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the State in which the permanent establishment or fixed base is situated.
7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

Article 16

1. Gains derived by a person domiciled in a Contracting State from the alienation of immovable property referred to in Article 4 are taxable in the Contracting State where this property is situated.
2. Gains from the alienation of stocks, shares or other rights in a company or in a legal entity whose assets consist primarily of immovable property situated in a Contracting State, or of rights connected with such immovable property, may be taxed in that State where they are subject, according to the laws of that State, to the same tax treatment as gains arising from the alienation of immovable property.
3. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State or of movable property pertaining to a fixed base available to a person domiciled in a Contracting State in the other Contracting State, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.
4. Gains from the alienation of ships or aircraft operated in international traffic, or movable property pertaining to the operation of such ships or aircraft, road vehicles shall be taxable only in the Contracting State in which the place of effective management of the enterprise is situated.
5. Gains from the alienation of any property other than that referred to in paragraphs 1, 2, 3 and 4, shall be taxable only in the Contracting State in which the alienator is domiciled."

Article 16-A

1. Notwithstanding the provisions of Articles 22 and 23, income derived by a person domiciled in a Contracting State as an entertainer, such as a theater, motion picture, radio or television artiste, or a musician, or as an athlete, from his personal activities as such exercised in the other Contracting State, may be taxed in that other State.
2. Where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself but to another person, that income may, notwithstanding the provisions of Articles 10, 22 and 23, be taxed in the Contracting State in which the activities of the entertainer or athlete are exercised."

Article 17

1. Notwithstanding the provisions of Articles 21 and 22, and subject to the special agreements between the Contracting States that provide for a special tax system with respect to temporary draftees on assignment and related personnel, any remuneration and pension paid directly by, or out of funds created by, a Contracting State or local authority thereof, or by one of their public-law corporations to an individual shall be taxable only in that State.
2. The provisions of Articles 18, 21 and 22 shall apply to any remuneration and pension paid in respect of services rendered in the context of business carried out by a Contracting State or local authority thereof, or by one of their public-law corporations.

Article 18

Notwithstanding the provisions of articles 22 and 23 below, special and ordinary remuneration received by members of the governing bodies of companies limited by shares (societes anonymes), limited liability companies (societes a responsabilite limitee), limited partnerships with share capital (societes en commandite par actions) or co-operative societies (societes cooperatives) shall be subject in the Contracting State in which the company has its fiscal domicile to the taxes referred to in article 8, paragraph 3. However, where the company, partnership or society maintains one or more permanent establishments in the other Contracting State, special remuneration (directors' percentages, attendance fees and other similar emoluments) shall be taxable in accordance with the terms of article 14.

Article 19

1. Nothing in this Convention shall affect the fiscal privileges of members of diplomatic missions and their private domestics, members of consular posts or members of the permanent delegations of international organizations granted to them under the general rules of international law or the provisions of special agreements.

2. Notwithstanding the provisions of Article 2, an individual who is a member of a diplomatic mission, a consular post or a permanent delegation of a Contracting State which is situated in the other Contracting State or in another State is considered, for the purposes of the Convention, to be domiciled in the accrediting State, if he is subject to the same requirements in respect of taxation on his total income, as are the persons domiciled in that State.
3. The Convention does not apply to international organizations, their representative bodies or their officials, nor to persons who are members of a diplomatic mission, a consular post, or a permanent delegation of another State where they are located in the territory of a Contracting State and are not subject, in either of the Contracting States, to the same requirements in respect of taxation on their total income as are the persons domiciled in these States.

Article 20

1. Royalties arising in a Contracting State and paid to a person domiciled in the other Contracting State shall be taxable in that other State.
2. However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax thus charged shall not exceed 15 percent of the gross amount of the royalties.
3. Notwithstanding the provisions of paragraph 2, remuneration of any kind paid for the use of, or the right to use, any copyright of a literary, artistic or scientific work (excluding motion pictures and any other sound or image recordings) shall be taxable only in the Contracting State in which the recipient of the remuneration is domiciled, if such person is the beneficial owner of that remuneration.
4. Notwithstanding the provisions of Paragraph 2, the salaries and wages for studies, technical, financial, or accounting aid, are also subject to tax in the Contracting State from which they originate and are determined by the legislation of this State, but if the person who receives these salaries and wages is the effective beneficiary, the tax established in this manner may not exceed 7.5% of the gross amount of these salaries and wages.
5.
 - a) The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including motion pictures and any other sound or image recordings. It also means remuneration of any kind received for the use of, or the right to use, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial, or scientific equipment, or for information concerning industrial, commercial or scientific experience. Also included in such royalties

is remuneration for research of a scientific, geological or technical nature, and for engineering work and any plans related thereto as well as the salaries and wages for studies, technical, financial, or accounting aid.

- b) Royalties paid for the use of immovable property or mining or quarry operations or any other kind of natural resources are considered as income from immovable property pertaining to which the provisions of Article 4 shall apply.
6. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being domiciled in a Contracting State, carries on business in the other Contracting State in which the royalties arise, through a permanent establishment situated therein, or performs in that other State independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 10 or Article 23, as the case may be, shall apply.
7. Royalties shall be deemed to arise in a Contracting State when the payer is that State itself, a local authority thereof or one of their public law corporations, or another person domiciled in that State. Where, however, the payer of the royalties, whether he is domiciled in a Contracting State or not, has in a Contracting State a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the Contracting State in which the permanent establishment or fixed base is situated.
8. Where by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Convention.

Article 21

Pensions and annuities shall be taxable only in the Contracting State in which the recipient has his fiscal domicile.

Article 22

1. Failing specific agreements providing for special treatment in the matter, wages, salaries and other similar remuneration received by a person domiciled in one of the two Contracting States in respect of gainful employment shall be taxable only in that State, unless the employment is exercised in the other Contracting State. If the

employment is exercised in the other Contracting State, the remuneration derived from it shall be taxable in the latter State.

2. Notwithstanding the provisions of paragraph 1 above, remuneration received by a person domiciled in a Contracting State in respect of gainful employment in the other Contracting State shall be taxable only in the first-mentioned State if:
 - (a) The recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days in the fiscal year concerned;
 - (b) The remuneration is paid by or on behalf of an employer who is not domiciled in the other State; and
 - (c) The remuneration is not deducted from the profits of a permanent establishment or fixed base maintained by the employer in the other State.
3. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic, may be taxed in the Contracting State in which the place of effective management of the enterprise is situated.

Article 23

1. Income derived by a person domiciled in a Contracting State from a profession or from other independent activities of a similar character shall be taxable only in that State, unless the person in question has a fixed base regularly available to him in the other Contracting State for the purpose of performing his activities. If he has such a fixed base, such part of the income as is attributable to that base shall be taxable in the other State.
2. For the purposes of this article, professions shall be deemed to include scientific, artistic, literary, educational or teaching activities and the activities of medical practitioners, lawyers, architects or engineers.

Article 24

Payments which a student or trainee from one of the Contracting States who is present in the other Contracting State solely for the purpose of his education or training receives for his maintenance, education or training shall not be taxable.

Article 25

Income not mentioned in the foregoing articles shall be taxable only in the Contracting State in which the recipient has his fiscal domicile, unless such income is connected with the activity of a permanent establishment maintained by the recipient in the other Contracting State.

Article 26

Double taxation shall be avoided in the following manner:

1. in France:

- a) Income arising from Cameroon which, in accordance with the provisions of this Convention, may, or may only be, taxed in that State, shall be taken into account in calculating the French tax if the recipient of that income is domiciled in France and such income is not exempt from the company tax according to French law. In such case, the Cameroon tax is not deductible from his income, but the recipient shall be granted a tax credit to offset the French tax. Such credit shall equal:
 - i) for income not mentioned in sub-section ii), to the amount of the French tax which corresponds to said income:
 - ii) for the income referred to in Articles 13, 14 and 15 in paragraphs 1 and 2 of Article 16, in Articles 16-A, 18, and 20 and in paragraph 3 of Article 22, to the amount of tax paid in Cameroon in accordance with the provisions of these Articles: however, such credit shall not exceed the amount of the French tax which corresponds to said income.

The term "amount of tax paid in Cameroon" means the amount of Cameroon tax effectively and definitively payable, by reason of such income in accordance with the provisions of the Convention, by the recipient of such income domiciled in France.

- b) With respect to the application of a) to the income referred to in Articles 15 and 20, where the amount of the tax paid in Cameroon in accordance with the provisions of these Articles shall exceed the amount of French tax which corresponds to such income, the recipient of such income domiciled in France shall be permitted to present his case to the competent French authority. Insofar that it may appear to such authority that said situation results for him in taxation not in accordance with net income tax, that competent authority, under such conditions as it shall determine, may allow the amount not applicable under the tax paid in Cameroon on income from foreign sources as a deduction for French taxation purposes.
- c) The provisions of the Convention, and especially those of this paragraph shall not be construed as precluding France from the possibility of applying Articles 209, sections 1 through 5, and 209 B of its general tax code, or other analogous or similar provisions.

2. In the case of Cameroon:

- (a) Income, other than income dealt with in subparagraph (b) below, payable to persons domiciled in Cameroon shall be exempt from the Cameroonian taxes referred to in article 8, paragraph 3, where such income is, under this Agreement, taxable only in France.

- (b) Income received by persons domiciled in Cameroon, which is referred to in Articles 13, 14, 15, 20 and in paragraph 3 of Article 22, and which arises in France, shall be taxable in Cameroon. French tax levied on such income shall entitle the recipient to a tax credit. Such credit shall correspond to the amount of French tax levied but may not exceed the amount of Cameroonian tax due on the said income. The credit shall be allowed against the taxes referred to in article 8, paragraph 3, in the taxation bases of which the income in question is included.
- (c) Notwithstanding the provisions of subparagraphs (a) and (b), Cameroonian tax shall be computed, on income chargeable in Cameroon by virtue of this Agreement, at the rate appropriate to the total of the income chargeable in accordance with Cameroonian law.

Chapter II Succession Duties

Article 27

1. This chapter shall apply to succession duties levied on behalf of either Contracting State.

The term "succession duties" shall be understood to mean taxes levied at death in the form of estate duties, inheritance taxes, death duties or taxes on gifts mortis causa.

2. The existing duties to which this chapter shall apply are:

-- In the case of France: the succession duty;

-- In the case of Cameroon: the succession duty.

Article 28

Immovable property (including accessories) shall be liable to succession duty only in the Contracting State in which it is situated; equipment or livestock of agricultural or forestry enterprises shall be taxable only in the Contracting State in which the enterprise is situated. The stocks, shares or other rights in a company or other legal entity whose assets primarily consist of immovable property situated in a Contracting State or of rights related to such immovable property, shall only be taxable in that State according to the domestic laws of that State. However, if the domestic laws of that State do not permit the taxation of such stocks, shares or other rights, the provisions of Article 32 shall apply.

Article 29

Tangible or intangible movable property left by a deceased person who at the time of his death was domiciled in one of the Contracting States and invested in a

commercial, industrial or handicraft enterprise of any kind shall be liable to succession duty in accordance with the following rule:

- (a) If the enterprise has a permanent establishment in only one of the two Contracting States, the property shall be liable to duty only in that State; this provision shall apply even where the enterprise extends its operations to the territory of the other Contracting State without maintaining a permanent establishment there;
- (b) If the enterprise has a permanent establishment in each of the two Contracting States, the property shall be liable to duty in each State to the extent that it is used for a permanent establishment situated in the territory of that State.

However, the provisions of this article shall not apply to investments made by the deceased in joint-stock companies (companies limited by shares) (societes anonymes), limited partnerships with share capital (societes en commandite par actions), limited-liability companies (societes a responsabilite limitee), co-operative societies (societes cooperatives), civil companies (societes civiles) subject to the tax regulations governing joint-stock companies or -- in the form of commandite interests -- in simple limited partnerships (societes en commandite simple).

Article 30

Tangible or intangible movable property connected with a fixed place of business and used in the practice of a profession in one of the Contracting States shall be liable to succession duty only in the Contracting State in which such place of business is situated.

Article 31

Tangible movable property other than the movables referred to in articles 29 and 30, including furniture, linen and household goods and art objects and collections, shall be liable to succession duty only in the Contracting State in which it is actually situated at the date of death.

However, ships and aircraft shall be liable to succession duty only in the Contracting State in which they were registered.

Article 32

Property of a deceased person's estate to which articles 28 to 31 do not apply shall be liable to succession duties only in the Contracting State in which the deceased was domiciled at the time of his death.

Article 33

1. Debts pertaining to enterprises of the kinds referred to in articles 29 and 30 shall be charged against the property of those enterprises. If the enterprise has a permanent establishment or fixed place of business, as the case may be, in both Contracting States, the debts shall be charged against the property of the establishment or place of business to which they pertain.
2. Debts secured by immovable property or rights in immovable property, or by ships or aircraft as referred to in article 31, or by property used in the practice of a profession as provided for in article 30, or by the property of an enterprise of the kind referred to in article 29, shall be charged against such property. If a debt is secured at the same time by property situated in both States, it shall be charged against the property situated in each of them in proportion to the taxable value thereof.

This provision shall apply to the debts referred to in paragraph 1 only to the extent to which they are not covered in the manner provided for in that paragraph.

3. Debts not provided for in paragraphs 1 and 2 shall be charged against property covered by the provisions of article 32.
4. If, after the procedure provided for in the three preceding paragraphs, there remains an outstanding balance in one of the Contracting States, such balance shall be deducted from the value of any other property liable to succession duty in the same State. If there is no other property subject to duty in that State or if after such deduction a balance still remains, such balance shall be charged against the property subject to duty in the other Contracting State.

Article 34

Notwithstanding the provisions of articles 28 to 33, each Contracting State shall retain the right to assess the duty on inherited property which it has the exclusive right to tax at the average rate applicable to the sum of the property which would be liable to duty under its internal legislation.

Article 34 A

1. Each Contracting State exempts the other Contracting State and any local authority thereof by reason of the legacy which they have been granted.
2.
 - a) Statutory bodies, and public service, as well as non-profit agencies, associations, institutions and foundations created or organized in a Contracting State shall, by reason of the legacy which they have been granted, benefit in the other Contracting State from such exemptions as have

been provided for by the domestic laws of that other State on behalf of entities of like nature created or organized in that other State.

- b) Such exemptions are granted:
 - i) where the recipients of such legacies can be classified as entities which are exempt according to the domestic laws of the other Contracting State, and
 - ii) where they are exempt according to the domestic laws of the first-mentioned Contracting State by reason of the legacy which they have been granted.

The competent authorities of the Contracting States shall verify that such conditions are met.

- 3. Notwithstanding the provisions of Article 27, the provisions of this Article shall also apply to gifts.

Chapter III

Registration Taxes Other Than Succession Duties; Stamp Duties

Article 35

Where a deed or judgement drawn up in one of the Contracting States is presented for registration in the other Contracting State, the taxes applicable in the latter State shall be determined in accordance with the provisions of its internal legislation, provided that the taxes due in that State shall where appropriate be reduced by the amount of the registration taxes already levied in the former State.

However, deeds or judgements transferring the ownership or usufruct of immovable property or a business or the use of immovable property, and deeds or judgements registering the transfer of a right to lease or to benefit by an option to lease all or part of an immovable property, may be charged with a transfer tax only in the Contracting State in whose territory the immovable property or business is situated.

The provisions of the first paragraph of this article shall not apply to company articles of association or amendments thereto. Such documents shall be liable to the ad valorem capital tax (droit proportionnel d'apport) only in the State in which the company has its registered offices. In cases of mergers or similar operations, the tax shall be levied in the State in which the acquiring or new company has its registered offices.

Article 36

Any deed, judgement or bill (effet) utilized in one State must be charged with stamp duty at the rate applicable in that State, provided that such duty shall where

appropriate be reduced by the amount of the stamp duties already levied in the other State.

Title III

Administrative Assistance

Article 37

1. The taxation authorities of each of the Contracting States shall communicate to the taxation authorities of the other Contracting State any fiscal information available to them and useful to the latter authorities to ensure the proper assessment and collection of the taxes to which this Agreement relates and the enforcement with respect to such taxes of the statutory provisions concerning the prevention of tax fraud.
2. Any information so exchanged shall be treated as confidential and shall not be disclosed to persons other than those concerned with the assessment and collection of the taxes to which this Agreement relates. No information shall be exchanged which would reveal a commercial, industrial or professional secret. Information may be withheld where the requested State considers that it would be likely to endanger its sovereignty or security or to prejudice its general interests.
3. Information shall be exchanged automatically, or on request in connection with specific cases. The competent authorities of the two Contracting States shall agree on the list of classes of information to be provided automatically.

Article 38

1. The Contracting States agree to lend each other reciprocal assistance and support with a view to the collection, in accordance with the provisions of their respective laws or regulations, of the taxes to which this Agreement relates and of any tax increases, surcharges, overdue payment penalties, interest and costs pertaining to the said taxes, where such sums are finally due under the laws or regulations of the requesting State.
2. Requests for assistance shall be accompanied by such documents as are required under the laws or regulations of the requesting State as evidence that the sums to be collected are finally due.
3. On receipt of the said documents, writs shall be served and measures of recovery and collection taken in the requested State in accordance with the laws or regulations governing the recovery and collection of its own taxes.
4. Tax debts to be recovered shall enjoy the same safeguards and privileges as similar tax debts in the requested State.

Article 39

In the case of tax debts still subject to appeal, the taxation authorities of the creditor State may, in order to safeguard its rights, request the competent taxation authorities of the other Contracting State to take such interim measures as are permitted by the latter's laws or regulations.

Article 40

The measures of co-operation specified in articles 38 and 39 shall also apply to the recovery of any taxes and duties other than those to which this Agreement relates, and, in general, to all debt-claims of whatsoever nature of the Contracting States.

Article 41

1. Where a person considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with the provisions of this Convention, he may, irrespective of the remedies provided by the domestic law of those States, present his case to the competent authority of the Contracting State in which he is domiciled. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Convention.
2. The competent authority shall endeavor, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Convention. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States.
3. The competent authorities of the Contracting States shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement as indicated in the preceding paragraphs. When it seems advisable in order to reach agreement to have an oral exchange of opinions, such exchange may take place through a Commission consisting of representatives of the competent authorities of the Contracting States.

Article 42

The competent authorities of the two States shall consult each other to determine, by agreement and so far as may be necessary, the procedures for the application of this Agreement.

Article 43

1. Each of the Contracting States shall notify the other of the completion of the procedures required by its legislation for the entry into force of this Agreement. The Agreement should enter into force on the date of the latest notification and shall be applicable:
 - In respect of taxes on income, to the taxation of income payable on or after 1 July 1975;
 - In respect of income of the kinds referred to in articles 13, 15, 18 and 19, to income payable on or after 1 July 1975;
 - In respect of succession duties, to the estates of persons deceased on or after 1 July 1975;
 - In respect of other registration taxes and stamp duties, to deeds drawn up and judgements rendered on or after 1 July 1975;
 - In respect of the recovery of any debts other than fiscal debts, to debts arising out of a transaction made on or after 1 July 1975.

The competent authorities of the two States shall reach agreement on ways of settling any difficulties that arise from the retroactive implementation of the provisions of this Agreement.

Article 44

This Agreement shall remain in force indefinitely.

However, on or after 1 January of the fifth year following the year of the entry into force of this Agreement, either of the Contracting States may give notice to the other of its intention to terminate the Agreement, such notice to be given before 30 June of any year. In that event, the Agreement shall cease to apply as from 1 January of the year following the year in which notice is given, it being understood that its effects shall be limited:

- In respect of taxes on income, to income acquired or payable during the year in which notice of termination is given;
- In respect of succession duties, to the estates of persons deceased not later than 31 December of that year;
- In respect of other registration taxes and stamp duties, to deeds drawn up and judgements rendered not later than 31 December of that year;
- In respect of the recovery of debts of any nature, to debts arising out of a transaction made not later than 31 December of that year.

In witness whereof the undersigned, being duly authorized thereto, have signed this Agreement, drawn up in two original copies in the French language.

Done at Yaounde on 21 October 1976.

**FOR THE GOVERNMENT OF THE
FRENCH REPUBLIC:**

[Signed]
H. Dubois

**FOR THE GOVERNMENT OF THE UNITED
REPUBLIC OF CAMEROON:**

[Signed]
J. Keutcha



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