



Burkina Faso

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The 2022 fiscal year began in Burkina Faso with the promulgation by Decree No. 2021-1352/PRES of Law No. 042-2021-AN of December 16, 2021, on the Finance Law for the execution of the State budget, Fiscal Year 2022.

Among the innovations of this Finance Act 2022, various measures to strengthen the fight against money laundering and terrorist financing in Burkina Faso have been adopted.

These measures concern, among other things, the rules related to the determination of transfer prices and the declaration of beneficial owners of Burkina Faso companies.

From now, companies established in Burkina Faso, regardless of their form and activities, must keep a register of their beneficial owners. A beneficial owner is defined as the person or persons who ultimately own or control a customer and/or the individual on whose behalf a transaction is carried out. The definition also includes persons who ultimately exercise effective control over a legal person. The register must be kept up to date with all changes in the beneficial ownership of the legal entity and presented to the Administration at any time.

In addition to this register, companies are also required to file, in support of their declaration of existence, a declaration of beneficial owners using a form provided by the tax authorities. Pre-existing companies and those created after January 1, 2022, will be required to file the declaration of beneficial owners at the same time as the corporate income tax return.

In terms of transfer pricing, related companies whose annual turnover excluding taxes or gross assets is greater than or equal to 1,000,000,000 FCFA (1,524,000 €) are required to submit, by May 31 at the latest, the annual transfer pricing declaration for the accounting period ended December 31 of the previous year. This declaration is made on a form in accordance with the model of the Tax Administration.

In addition, any company operating in Burkina Faso, whose annual turnover excluding tax or gross assets is greater than or equal to 1,000,000,000 FCFA (1,524,000€), which owns or is owned directly or indirectly by a company that realizes in Burkina Faso an annual turnover excluding tax or gross assets is greater than or equal to 1,000,000,000 FCFA (1,524,000€) is required to keep at the disposal of the tax authorities a documentation to justify the pricing policy practiced in the context of transactions of any kind carried out with these companies.

In terms of procedures, taxpayers are now required to keep duplicates of invoices, bills of fees, purchase orders, delivery notes and any other document of the elements contained in the declarations submitted for 10 years.

