The salaries and deductions in Democratic Republic of Congo

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This article discusses the Taxable income, the payroll taxes, Deductions and allowances, Filing status, Expatriates status and Social Security in the Democratic Republic of Congo

1. Taxable income

Residents are subject to tax on their DRC-sourced income. The incomes generated by professional activities carried out in the DRC, eventhough the beneficiary's registered office, main administrative place of business, domicile, or permanent residency, is not located in the DRC, shall be subject to the professional tax. Employment income includes salaries and other remuneration received as compensation for activities carried out in the country.

2. The payroll taxes (IPR) are calculated based on employee remuneration (i.e. salaries, fees, allowances, which do not represent reimbursement of actual, professional expenditure, gratuities, bonuses or pensions of any kind). The IPR is an annual tax but payable as a monthly withholding tax (WHT). It is due upon payment of salaries to employees.

3. Rates

Income tax rates in DRC are progressive between 3% and 40%. The progressive employment income tax schedule (impôt sur les rémunérations) is as follows:

Annual income (CDF)	**Rate (%)**
Up to 524,160	0
524,161 – 1,428,000	15.0
1,428,001 – 2,700,000	20.0
2,700,001 – 4,620,000	22.5
4,620,001 – 7,260,000	25.0
7,260,001 – 10,260,000	30.0

10,260,001 – 13,908,000	32.5
13,908,001 – 16,824,000	35.0
16,824,001 – 22,956,000	37.5
Over 2,956,000	40.0

4. Deductions and allowances

All fringe benefits are taxable, except for housing allowances should not exceed 30% of basic salary, and non-taxable transport and family allowances may not exceed the legal limits.

5. Filing status

Although the tax law contains provisions applicable to individuals, personal taxes are collected through business entities.

6. Double taxation

Relief from double taxation is available through tax treaties to which the DRC is a signatory.

7. “Exceptional Tax on Expatriates Salaries” (IER)

This is an additional tax levied on the expatriates taxable salaries as an expense for the employer. The holder is liable to pay the exceptional tax on expatriate salaries of the 25% standard rate. The mining code provided for at the preferential rate of 10%,

8. Social Security

- An employee must contribute 3.5% of gross salary.
- The employer is required to contribute 5% of the salary paid (for staff in provinces other than Katanga province) or 9% (for staff in Lubumbashi province) to social security.