



LEGAL ALERT

GENERAL STATE BUDGET FOR 2017

The General State Budget for 2017, approved by Law no. 22/16, of December 30th, came into effect on 1 January 2017 and **maintained the Special Contribution on Current Invisible Operations**, followed by the introduction of new measures in the Angolan tax system.

The aforementioned Special Contribution was created to deal with the decrease in tax revenue in 2015, prompted by the changes in the price of the oil barrel, and is levied on the transfers made in connection with foreign technical assistance or management service contracts, foreseen in the Regulation on the Hiring of Technical Assistance or Management Services, approved by Presidential Decree no. 273/11, of 27 October.

This tax is levied on individuals and legal persons governed by private law as well as public companies with domicile, head office or place of effective management or permanent establishment in Angola, that require the completion of money transfers for the payment of the aforementioned contracts in a financial institution, while the applicable rate is of 10% on the amount of the transfer.

It is simultaneously **revoked** the Presidential Legislative Decree no. 1/16, of 24 February, that approved the **Legal Framework on the Special Contribution on Banking Operations**, which was levied on banking and financial operations and transactions at a rate of 0,1% on their respective amount.

Finally, the President of the Republic was granted a legislative authorization to adapt and harmonize national legislation with the purpose of ensuring the rationalization of the collection, treatment and **exchange of information** in connection with policy and cooperation agreements on exchange of information, according to the General Guidelines of the Administration for Tax Reform and the International Tax Policy Strategy of the Angolan State.