Preliminary remark – New Tax Codes
Within the scope of the undergoing Angolan tax reform, a number of important tax codes were recently published in the National Gazette, namely:

» Industrial Tax Code (approved by Law no. 19/14, of 22 October);
» Personal Income Tax Code (approved by Law no. 18/14, of 22 October);
» Tax on Invested Capital Code (approved by Presidential Decree Law no. 2/14, of 20 October);
» Stamp Duty Code (approved by Presidential Decree Law no. 3/14, of 21 October);
» Consumption Tax Regulation (review and republishing approved by Presidential Decree Law no 3-A/14, of 21 October 2014).

The following information is based on the abovementioned legislation.

**Income tax**


**Taxable basis**

Corporate Income Tax is levied on the taxable income assessed by companies developing a business activity in Angola.

Whenever a non-resident company is present in Angola for more than 90 days during a given period of 12 consecutive months, such company is deemed to have a permanent establishment herein and is subject to an equivalent tax treatment as if it were a resident company.

**Tax rates**

Resident companies are taxed on their worldwide income at a rate of 30% (a transitional regime was established according to which the Industrial tax Rate applicable to the 2014 fiscal year is reduced to 30%). On the other hand, branches of non-resident companies are taxed only on the revenues derived from activities carried out in Angola at the same rate of 30%.

Companies whose profit is derived from agricultural or similar activities are subject to Corporate Income Tax at a 15% rate. Additionally, companies whose profits are derived from mining enterprises are subject to Corporate Income Tax at a 25% rate under the Mining Code.
## Resident companies

<table>
<thead>
<tr>
<th>Corporate Income Tax</th>
<th>30%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisional tax payments:</td>
<td></td>
</tr>
<tr>
<td>» Sales</td>
<td>2% of the total sales from January to June</td>
</tr>
<tr>
<td>» Rendering of services</td>
<td>Withholding tax rate of 6.5% on the services provided</td>
</tr>
<tr>
<td>Capital gains</td>
<td>10% *** over the positive difference between sale price and acquisition price (when not subject to CIT or PIT)</td>
</tr>
<tr>
<td>Dividends (earned by resident company):</td>
<td></td>
</tr>
<tr>
<td>» domestic source</td>
<td>taxed as ordinary income</td>
</tr>
<tr>
<td>» foreign source</td>
<td>10% * / ** / *** / ****</td>
</tr>
<tr>
<td>Interest (paid by a resident company)</td>
<td></td>
</tr>
<tr>
<td>» 15% ** / *** (an exemption is applicable if the income is received by a financial institution subject to CIT)</td>
<td></td>
</tr>
<tr>
<td>» 10% * / ** / *** corporate bonds and shareholder loans</td>
<td></td>
</tr>
<tr>
<td>» 5% * / ** / *** when the bonds are admitted to trading on a regulated market if maturity is higher or equal to 3 years (10% otherwise)</td>
<td></td>
</tr>
<tr>
<td>Royalties (earned by resident company):</td>
<td></td>
</tr>
<tr>
<td>» domestic source</td>
<td>10% * / ** / ***</td>
</tr>
<tr>
<td>» foreign source</td>
<td>Taxed as business income</td>
</tr>
<tr>
<td>Fees</td>
<td>Taxed as business income</td>
</tr>
</tbody>
</table>

* Tax withheld at source.
** Final taxation.
*** Tax on Invested Capital
**** Please note that an exemption is applicable should the entity receiving the dividends own at least 25% of the share capital of the company distributing the dividends for a period longer than one year.

## Resident companies

| Services subject to Consumption Tax | 5% or 10% rate, depending on the service provided (cost borne by the acquirer) |
| Rental income (earned by resident company) | 15%* (subject to Real Estate Tax at a rate of 25% applicable over 60% of the rent revenues) |
| Stamp Duty | |
| » 1% – on receipts |
| » 0.1% to 0.5% – on loans |
| » 0.2% to 0.5% – on interest |

* Tax withheld at source.
<table>
<thead>
<tr>
<th>Non-Resident companies</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Income Tax</td>
<td>30% (in case of a permanent establishment)</td>
</tr>
<tr>
<td>Withholding tax as per the Special regime for the taxation of accidental: services: Rendering of services</td>
<td>Withholding tax rate of 6.5% on service income</td>
</tr>
<tr>
<td>Capital gains</td>
<td>In some cases, 10% * / ** / *** over the positive difference between sale price and acquisition price (when not subject to CIT or PIT)</td>
</tr>
<tr>
<td>Dividends paid by an Angolan resident company; repatriation of profits imputed to permanent establishments of non-residents in Angola</td>
<td>10% * / ** / *** 5% * / ** / *** when the shares to which the profits relate to are traded on a regulated market (the reduced rate is only applicable for the first five years following the entry into force of the new</td>
</tr>
<tr>
<td>Remittance of branch profits</td>
<td>10% * / ** / ***</td>
</tr>
<tr>
<td>Interest (paid by an Angolan resident company)</td>
<td>» 15% * / ** / *** loans</td>
</tr>
<tr>
<td></td>
<td>» 10% * / ** / *** corporate bonds and shareholder loans</td>
</tr>
<tr>
<td></td>
<td>» 5% * / ** / *** when the bonds are admitted to trading on a regulated market if maturity is higher or equal to 3 years (10% otherwise)</td>
</tr>
<tr>
<td>Royalties (paid by an Angolan resident company)</td>
<td>10% * / ** / ***</td>
</tr>
<tr>
<td>Services subject to Consumption Tax</td>
<td>5% or 10% rate, depending on the service provided (payment and cost borne by the Angolan company)</td>
</tr>
</tbody>
</table>

* Tax withheld at source.  
** Final withholding tax.  
*** Tax on Invested Capital.
### Resident individuals

#### Personal Income Tax:
- **salaries and wages**: 0% – 17% * / **
- **professional services (including artists/sportsmen) fees**: 15% * / ** (levied on 70% of total income, corresponding to a 10.5% effective rate)
- **industrial or commercial activities**: 30%

#### Capital gains
10% *** over the positive difference between sale price and acquisition price (when not subject to CIT or PIT)

#### Dividends (earned by resident individual):
- **domestic source**: 10% * / ** / ***
- **foreign source**: Not subject to tax

#### Interest (earned by resident individual):
- **domestic source**: 15% ** / *** – loans
  10% * / ** / *** corporate bonds and shareholder loans
  5%* / ** / *** when the bonds are admitted to trading on a regulated market if maturity is higher or equal to 3 years (10% otherwise)
- **foreign source**: Not subject to tax

#### Royalties (earned by resident individual):
- **domestic source**: 10% * / **
- **foreign source**: Not subject to tax

#### Fees (earned by resident individual)
- 30%; 15% or 6.5% (PIT)*

#### Rental income (earned by resident individual)
- 15% * / ** (Subject to Real Estate Tax at a rate of 25% applicable over 60% of the rent revenues)

* Tax withheld at source.
** Final withholding tax.
*** Tax on Invested Capital.

### Reporting obligation

As a general rule, taxable income is determined through a tax return “Modelo 1” to be submitted annually up to the end of March of the following year.

### Payment

Personal Income Tax must be paid by the end of March of the year following the year for which tax is due, upon the submission of the tax return “Modelo 1”.
Non-resident Individuals

<table>
<thead>
<tr>
<th>Personal Income Tax:</th>
<th>Subject to Personal Income Tax in Angola provided it derives from services supplied in Angola, paid directly or indirectly by an Angolan entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>» salaries and wages</td>
<td>15% * / ** (levied on 70% of total income, corresponding to a 10.5% effective rate)</td>
</tr>
<tr>
<td>» professional services</td>
<td>15% * / ** (levied on 70% of total income, corresponding to a 10.5% effective rate)</td>
</tr>
<tr>
<td>Capital gains</td>
<td>10% * / ** / *** over the positive difference between sale price and acquisition price (when not subject to CIT or PIT)</td>
</tr>
<tr>
<td>Dividends (paid by an Angolan resident company)</td>
<td>10% * / ** / ***</td>
</tr>
</tbody>
</table>
| Interest (paid by an Angolan resident) | 15% * / ** / *** – loans  
10% * / ** / *** – corporate bonds and shareholder loans  
5% * / ** / *** – when the bonds are admitted to trading on a regulated market if maturity is higher or equal to 3 years (10% otherwise) |
| Royalties                    | 10% * / ** / ***                                                                                                          |

* Tax withheld at source.  
** Final withholding tax.  
*** Tax on Invested Capital.

Withholding obligation on supplies of services

Special regime for the taxation of accidental services

Law no. 7/97, of 10 October, was revoked and a special regime applicable to entities without head-office, place of effective management or permanent establishment in Angola was introduced as from 1 January 2015 onwards. Income obtained by such entities that derive from services rendered in Angola or to Angolan tax resident entities, regardless of the place where services are rendered, will be subject to withholding tax at a rate of 6.5%, to be made by the entity paying the income.

Under this regime, the taxable basis will correspond to the global amount of the service rendered.

Being the regime also applicable to transactions between related entities, as defined in the Major Taxpayers Statute, specific rules are foreseen for these transactions, namely in what concerns the recharge of costs (different to what is set out in the provisional tax payments regime applicable to the rendering of services).

Special regimes

Special tax regimes apply to companies engaged in petroleum and mining operations. These special tax regimes are not covered in this document.

Major Taxpayers Regime

In 2013, the Major Taxpayers Regime was approved, determining the rights and obligations of the entities considered Major Taxpayers. The definition of such entities relies with the Minister of Finance, which has published on the 28th of February 2014, and amended on the 24th of March 2014, the list of companies considered as Major Taxpayers.

The Decree also regulates the Major Taxpayers Tax Office which has its headquarters in Luanda. All entities foreseen in the Major Taxpayers list are assigned to this Tax Office.
Transfer pricing rules

Presidential Decree no. 147/13, introduced a transfer pricing regime to be followed from 2013 onwards. Despite generally following the OECD Transfer Pricing Guidelines, it has some relevant particularities.

According to the new transfer pricing regime, if the terms and conditions of a related party transaction in which an Angolan taxpayer and its related entity, subject or not to Corporate Income Tax, are not in accordance with the ones that would normally be accepted or practiced between independent entities, the National Directory of Taxes can adjust the taxable income so that the amount corresponds to the one assessed if no special relations existed. Furthermore, the tax authorities are allowed to perform transfer pricing adjustments for a 5 year period, from the last day of the fiscal year-end.

According to the new regime there is a special relationship when one entity has power to exercise, directly or indirectly, a significant influence in the management of the other.

The new transfer pricing rules are applicable to all in-border and cross-border commercial and financial transactions established between the taxpayer and its related entities beginning or occurring on or after 1 January 2013. Specific rules apply to the definition of a related entity.

The new regime also establishes the main taxpayer’s obligations, namely the preparation and submission to the National Directory of Taxes of the transfer pricing documentation for:

» taxpayers with an annual turnover (defined by the sum of sales and provision of services) equal to or greater than 7 billion Kwanza (70 million dollars);
» taxpayers included in the Major Taxpayers List; and
» taxpayers developing their activities in the following sectors: financial, oil & gas, diamond and telecommunication.

This obligation is foreseen to apply annually, being the transfer pricing documentation submitted by the end of the sixth month after the fiscal year’s closing date.

It should be noted that there are no specific transfer pricing penalties in case of failure to present transfer pricing documentation within the timeframe. In this case, the general tax penalties, provided in the Industrial Tax Code will be applied.

The Angolan transfer pricing legislation foresees that the transfer pricing report should contain the following structure: (i) executive summary; (ii) macroeconomic overview; (iii) company description; (iv) functional and risk analysis; (v) identification of related-party transactions; and (vi) economic analyses of related-party transactions.

In order to assess and demonstrate the market price of those, the National Directory of Taxes only accepts the traditional transfer pricing methods:

» the comparable uncontrolled price method;
» the resale price method; and
» the cost plus method.

Finally, all the information to be submitted to the National Directory of Taxes should be prepared in Portuguese language.

The recent implementation of the transfer pricing rules in Angola brings out a number of challenges for multinational and local companies operating in Angola. Moreover, some additional questions regarding the Angolan transfer pricing regime are still pending and should be promptly clarified. KPMG Angola is closely working with the National Directory of Taxes in order to address the main challenges arising from the new transfer pricing regime in order to ensure the taxpayers are compliant with these new rules.
Inheritance and endowments

A tax on inheritance and endowments is levied on a sliding scale on the value of goods donated or inherited at rates between 10% and 30%.

Consumption Tax

Within the scope of the undergoing tax reform the Consumption Tax Regulation (reviewed), entered in force in November 20, 2014.

The Consumption Tax is levied over the acquisition of goods, at rates that may vary from 2% to 30%, as well as over the acquisition of services, to which a rate of 5% or 10% is applicable, depending on the type of services.

The following services are subject to Consumption Tax:

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water and Energy consumption * / **</td>
<td>5%</td>
</tr>
<tr>
<td>Electronic communications services and telecommunications, irrespective of their nature * / **</td>
<td>5%</td>
</tr>
<tr>
<td>Hotel services and other activities, to it related or similar * / **</td>
<td>10%</td>
</tr>
<tr>
<td>Rental of areas specifically used for storage or collective parking of vehicles</td>
<td>5%</td>
</tr>
<tr>
<td>Rental of machines or other equipment, excluding leasing of machines or other equipment which, by their nature, give rise to the payment of royalties as defined in the Tax Code the Capital Application</td>
<td>5% *** / ****</td>
</tr>
<tr>
<td>Rental of areas prepared for conferences, lectures, exhibitions, advertising or other events</td>
<td>5%***</td>
</tr>
<tr>
<td>Consultancy services, including, in particular, legal, tax, financial, accounting, computing, engineering, architecture, economics, real estate, audit services and lawyers’ services</td>
<td>5%</td>
</tr>
<tr>
<td>Photography, film processing, image editing, IT and web-design services</td>
<td>5%</td>
</tr>
<tr>
<td>Private security services</td>
<td>5%</td>
</tr>
<tr>
<td>Tourism and travel services promoted by travel agencies or equivalent tour operators</td>
<td>5% ***</td>
</tr>
<tr>
<td>Management of commercial establishments, canteens, cafeterias, dormitories, real estate and condominiums</td>
<td>5%</td>
</tr>
<tr>
<td>Rental of vehicles</td>
<td>5% ***</td>
</tr>
</tbody>
</table>

* Excluded from the self-assessment mechanism that applies to operations with non-resident entities.
** Excluded from Consumption Tax framework governing operations with oil & gas companies.
*** Rate introduced by the new Consumption Tax Regulation (previously the applicable rate was 10%).
**** Work done on tangible assets is now excluded from Consumption Tax.
It is now expressly foreseen that the acquirers of the goods and services acquirer should bear the cost of the Consumption Tax.

Consumption Tax liability arises, for assessment and payment purposes, when the invoice or equivalent document is effectively paid. Previously, Consumption Tax liability arise when the invoice or equivalent document was issued.

As a general rule, the obligation to assess Consumption Tax falls on the entity providing the services. The amount of the tax due should be added to the amount of the invoice or equivalent document for the purposes of collecting it from the client. Additionally, it is now expressly foreseen that the acquirers of the goods and services acquirer should bear the cost of the Consumption Tax.

As regards to services provided by non-resident entities, a self-assessment mechanism is applicable to the acquisition, from non-resident entities, of services subject to Consumption Tax, whenever the acquiring entity has its domicile, head-office, effective place of management or permanent establishment in Angola. Previously, the self-assessment mechanism was only applicable when the acquiring entity was subject to Industrial Tax.

**Real Estate Tax**

The Real Estate Tax (RET) code provides that rents paid by entities responsible for having organized accounting records should be subject to withholding tax, at the effective rate of 15%.

Additionally, for the properties not leased, RET is due at the rate of 0.5% over the tax asset value (i.e. registered value of property for tax purposes) exceeding Akz 5 Million (About USD 50,000).

**Real Estate Transfer Tax**

The acquisition of properties located in Angola is subject to Real Estate Transfer Tax, at a 2% rate applicable over the acquisition value.

However, the acquisition of properties for industrial activities can be exempt from Real Estate Transfer Tax. Please note that the acquisition of at least 50% of the social participations of commercial companies is subject to Real Estate Transfer Tax if the company owns properties in Angola.

**Tax on Invested Capital**

According to the Tax on Invested Capital Code a rate of 10% is applicable to the distribution of dividends. However, an exemption is applicable if the dividends are distributed by an Angolan company to another Angolan company which holds more than 25% of the share capital of the company for a period longer than 1 year.

Payment of royalties and sale of shares are subject to taxation at the rate of 10% (withholding tax and self-assessment, respectively).

Additionally, the income derived from interest received is subject to Tax on Invested Capital at the rate of 5%, 10% or 15%.
Stamp Duty

Stamp Duty is levied on the acts, deeds, documents, papers, receipts and other transactions included in the Stamp Duty table. Amongst others, Stamp Duty is due at the rate of 1% over receivables.

Credit operations between non-financial entities are also subject to stamp duty at rates varying from 0.1% and 0.5% (depending on the loan duration) which is levied over the loan amount.

Additionally, interest paid over loans made by financial companies is subject to stamp duty at the rate of 0.2%.

Invoicing regime

Presidential Decree no. 149/13, of 1 October, established a regime governing Invoices and Equivalent Documents. This regime aims to regulate the obligations regarding the issue, conservation and archive of invoices and equivalent documents for taxpayers in the course of their commercial and industrial activity.

Among other requirements, it is mandatory to issue invoices written in Portuguese and in the local currency (Kwanza).

Personal Income Tax

PIT is due by individuals – regardless of their residence – whose income is derived from services rendered (directly or indirectly) to individuals/companies with domicile, headquarters, place of effective management or permanent establishment in Angola.

Income obtained by self-employed individuals is also subject to taxation in Angola whenever it is paid by an Angolan entity.

Furthermore, individuals earning salary income are not required to submit an annual tax return.

Taxation groups

**Group A:** includes the remuneration earned by employees (paid by an employer entity under an employment contract entered into in accordance with the Labor Law), as well as the remuneration earned by public servants;

**Group B:** includes the remuneration received by entrepreneurs / freelance workers that falls under the activities’ list included as an attachment to the PIT Code, as well as remuneration earned by directors and members of the board or of other statutory bodies;

**Group C:** includes all the remuneration obtained as a result of the development of an industrial or commercial activities, as foreseen in the Table of Minimum Profits.
### Salaries in Kwanzas*

<table>
<thead>
<tr>
<th>Salaries in Kwanzas</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 34,450</td>
<td>Exempt</td>
</tr>
<tr>
<td>34,451 – 35,000</td>
<td>7% of the amount exceeding 34,450**</td>
</tr>
<tr>
<td>35,001 – 40,000</td>
<td>Akz 550 + 7% of the amount exceeding 35,000</td>
</tr>
<tr>
<td>40,001 – 45,000</td>
<td>Akz 900 + 8% of the amount exceeding 40,000</td>
</tr>
<tr>
<td>45,001 – 50,000</td>
<td>Akz 1,300 + 9% of the amount exceeding 45,000</td>
</tr>
<tr>
<td>50,001 – 70,000</td>
<td>Akz 1,750 + 10% of the amount exceeding 50,000</td>
</tr>
<tr>
<td>70,001 – 90,000</td>
<td>Akz 3,750 + 11% of the amount exceeding 70,000</td>
</tr>
<tr>
<td>90,001 – 110,000</td>
<td>Akz 5,950 + 12% of the amount exceeding 90,000</td>
</tr>
<tr>
<td>110,001 – 140,000</td>
<td>Akz 8,350 + 13% of the amount exceeding 110,000</td>
</tr>
<tr>
<td>140,001 – 170,000</td>
<td>Akz 12,250 + 14% of the amount exceeding 140,000</td>
</tr>
<tr>
<td>170,001 – 200,000</td>
<td>Akz 16,450 + 15% of the amount exceeding 170,000</td>
</tr>
<tr>
<td>200,001 – 230,000</td>
<td>Akz 20,950 + 16% of the amount exceeding 200,000</td>
</tr>
<tr>
<td>Above 230,001</td>
<td>Akz 25,750 + 17% of the amount exceeding 230,000</td>
</tr>
</tbody>
</table>

* USD 1 approximately Akz 101,886
** As for the second line, the law seems to contain a typo error as no rate was inserted. We believe that there was no intention of the second line being PIT exempt but that they meant to insert a 6% rate. However, because it is not written anywhere and the law has second and third line painted in the same color, to be on the safe side, we are advising our clients to apply the PIT rate of 7% in both second line and third line.

### Group B: single rate of 15% which is levied over 70% of the income received, corresponding to an effective rate of 10.5%.

### Group C: rate of 30% for the cases in which the taxable income corresponds to the amounts included in the Table of Minimum Profits and, for the remaining cases, a rate of 6.5% (harmonization with the Industrial Tax rules).

### Double tax treaties and reduced rates

Angola has not entered into any double taxation treaties with other countries.
Tax Amnesty

Law no. 20/14, of 22 October which approved the revised Tax Foreclosure Code thereby introducing a tax amnesty regime for taxpayers with debts regarding Industrial Tax, Personal Income Tax, Stamp Duty, Tax on Invested Capital and Real Estate Tax, whose taxable events occurred in taxation periods until 31 December 2012.

The tax amnesty regime provides for a tax debt pardon, including compensatory and late payment interest, administrative expenses and penalties. Whenever the beneficiary of the tax debt pardon is a State creditor, the tax amnesty operates through compensation.

Tax debts deriving from tax inspections, any other procedure for the assessment of a taxpayers’ status, additional tax assessments, tax infringements processes, as well as tax debts included in tax foreclosure processes that have not yet progressed to a court level may also benefit from the tax amnesty.

The tax amnesty regime shall not apply to:

» customs debts;
» public companies and private companies held in more than 50% by public entities;
» companies subject to the special taxation regime applicable to oil and mining activities;
» Social Security contributions; and
» any other taxes not foreseen in the scheme.

Law no. 20/14, of 22 October, came into force on October 23, 2014.

Investment information

Investment rules

Investments to be carried out under the terms of the Private Investment Law may enjoy certain incentives and tax benefits and will entitle its investors to repatriate funds outside of Angola.

In order to apply for the Private Investment Law, a minimum investment of USD 1M per investor is required and the investment is always subject to the approval of the National Agency for Private Investment (“ANIP”).

Under the aforementioned regime, once the private foreign investment project is implemented and proof of its execution is given and in accordance with the conditions set out in the authorisation granted by Central Bank of Angola (“BNA”), the investor may transfer:

» Dividends and profits assessed by resident companies and local branches of foreign companies;
» Capital gains and any income derived from acts and contracts which, according to the present law, are qualified as private investment;
» Any compensations for expropriations; and
» Royalties or other remuneration arising from indirect investments, related with technology transfers.

Dividend repatriation should be proportional and graduated, depending on the amount invested, the investment time frame, the actual profit obtained and on the socioeconomic impact of the investment, namely the impact in the reduction of regional asymmetries and the impact in the Angolan balance of payments.
There are minimum periods (counting from the effective implementation of the investment) the investor must comply with in order to repatriate profits and dividends, which depend on the amount invested and on the location where the investment is to be carried out.

Investments in the mining, banking and oil industries are governed by special regimes and require prior approval from the Ministry of Geology and Mining, BNA, and the Ministry of Petroleum.

**Tax incentives**

In addition to capital allowances on fixed asset expenditure, special tax allowances are available for investment in listed development areas, priority sectors and other relevant investments. Incentives include tax exemptions, reduced rates of taxation and exemption on import duties as well as full deduction on infrastructural expenditure.

**Exchange controls**

Resident foreign individuals may operate foreign exchange bank accounts in banks abroad. Angolan-based foreign subsidiaries and representative offices may open foreign exchange bank accounts in Angolan-based banks. Non-residents are able to open and operate accounts in domestic or foreign currency in Angolan-based banks.

Remittances abroad may only be performed through the local banking system and depending on the amount may require prior approval from the BNA. The repatriation approval provides that an authorised investor may transfer out of Angola in an approved foreign currency its profit distributions, expropriation-related compensation received and the proceeds from foreign capital divestment, including capital gains.

Companies engaged in mining operations, including the diamond sector, are subject to tight foreign exchange restrictions. The most important of these restrictions are:

» Payments of import/export operations must all be made through an authorised local bank;
» All export-related proceeds must be deposited in a local bank account;
» A mining company may not hold a bank account outside Angola; and
» Guarantees or escrow-type accounts with foreign financial institutions may only be held for the purpose of debt servicing relating to loans previously approved by the BNA.

The Regime of Foreign Exchange Law for the Oil and Gas sector, published on 13th of January 2012, established guidelines which are to be followed by all Oil and Gas companies operating in Angola, with regards to bank accounts, including the payment of taxes, goods and services. The main change introduced by this law is that the payments received/made by the Angolan companies have to be made through a local bank.

Finally, please note that the general limit for transfers to abroad of invisible current transactions* that are exempt from prior licensing by the BNA is Akz 100M** (about USD 1M).

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* Invisible current transaction include, services, transportation, insurance, travel, trade commissions, patents and trademark rights, royalties or salaries.

** These limits are increased to Akz 300M (about USD 3M) for the companies providing services to the Oil & Gas companies.
Regulation on contracting foreign technical assistance or management services

According to Presidential Decree no. 123/13, of 28 August 2013, Angolan companies which hire technical and management assistance services from foreign companies are required to follow certain regulations.

Every technical assistance or management contract signed between an Angolan entity and a foreign entity with a global amount no greater than Akz 100M* (about USD 1M) and a duration no longer than 12 months must be reported to the Ministry of Economy, meaning that once the contract is signed its terms and conditions have to be reported to such Ministry for control purposes.

On the other hand, in case the contract exceeds the abovementioned limit, it is subject to the approval of the Ministry of Economy, which takes into account several requirements, including the need of hiring foreign entities (instead of local companies) and the advantages that such hiring brings to the beneficiary company and the Angolan economy.

* These limits are increased to Akz 300M (about USD 3M) for the companies providing services to the Oil & Gas companies.

Residence and work permits

All foreign workers engaged in employment duties in Angola must obtain visas in order to justify their stay. If the foreign workers are hired by an Angolan company or a foreign company with a permanent establishment in Angola, foreign workers are also required to obtain a work permit.

Annual budget announcement

The Minister of Finance generally announces the annual Budget and Taxation Proposals in November of each year for the following fiscal year, which starts on the 1st of January.
Trade and bilateral agreements

Angola is member of the following international organizations:

» WTO, Economic Community of Central African States (CEEAC);
» Community of Portuguese-speaking countries (CPLP);
» SADC;
» ACP-EU Partnership Agreement;
» COMESA; and
» OPEC.

Economic statistics

<table>
<thead>
<tr>
<th>Economic statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Interest Rate (August 2015)</td>
<td>8.75%</td>
</tr>
<tr>
<td>USD Exchange Rate (August 2014)</td>
<td>Akz 107.7</td>
</tr>
<tr>
<td>Inflation (August 2014)</td>
<td>7.05%</td>
</tr>
<tr>
<td>GDP (2014)</td>
<td>5.9%</td>
</tr>
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Travel Information

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<th>Travel information</th>
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</table>
| Visa requirements                   | » Visa may take up to 15 days
|                                    | » Invitation letter needed |
| Flights                             | Daily flights to and from Lisbon, Madrid, Amsterdam, Johannesburg and Dubai |
| Inoculations                        | Yellow fever certificate requested |

Currency

The Kwanza – Akz – is the official currency of Angola.

Languages

Portuguese is the official language, while other local languages most commonly spoken are Kimbundo, Umbumdo and Kikongo.
Official holidays

» 1 January (New Year’s Day)
» 4 February (Day of the Armed Struggle)
» 8 March (International Women’s Day)
» 3 April (Peace and National Reconciliation Day)
» 18 April (Good Friday)
» 1 May (Labour Day)
» 17 September (National Founders’ and Heroes’ Day)
» 2 November (All Saint’s Day)
» 11 November (Independence Day)
» 25 December (Christmas Day)
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