

**payspace**

by **deel.**

**Payroll Tax Guide**

**Togo**

2024 Tax Year



Tax Year: January – December

Currency: West African Francs (FCFA or XOF)

Office Togolais des Recettes (OTR): [www.otr.tg](http://www.otr.tg)

Caisse Nationale de Sécurité Sociale du Togo (CNNS): [www.cnss.tg](http://www.cnss.tg)

Assurance Maladie Universelle (AMU): [www.cnss.tg](http://www.cnss.tg)

## Employees' Tax

Any individual residing in Togo and earning salaries, wages, pension, or life annuities is liable for personal income tax. Employers withhold personal income tax (IRPP) from employee's wages and salaries monthly and submit a corresponding monthly return to the OTR within 15 days following the salary month.

### Employment Income

Total income includes earnings from different categories, with each category governed by its specific regulations. Employment income includes salary, wage, vacation pay, sick pay, compensation for the cancellation of paid vacation, commission, bonus, cost-of-living allowance, subsistence allowance, housing allowance, entertainment, and travel expense, and any cash payment or benefit in kind received from a third party.

### Taxable Fringe Benefits

Benefits in kind include housing, utilities, provision of a vehicle, food, travel, and subsistence expenses. These are included in taxable employment income and taxed based on their real or actual value.



Housing is taxed based on the rental or assessed value



Vehicle benefits are calculated using one-third (1/3) of associated costs, including depreciation, fuel, maintenance, and insurance. If the company provides the vehicle, one-third (1/3) of all rental and usage charges are considered taxable.

### Directors (Remuneration for Managers or Associates of Companies)

Remuneration includes all sums paid during the tax year, whether paid or credited to an account. Included are the benefits in kind or cash at the real value.

### Students and Internships

Remuneration and benefits paid by the employer to an employee completing a training course or further training are regarded as taxable income.

## Exempt Employment Income

- Special allowances intended to cover expenses inherent to the employment, in so far as they are used for the intended purpose and not overstated.
- Legal benefits paid by the Social Security Fund.
- Life annuities, retirement, or pension increases for dependents that do not exceed 2,400,000 FCFA francs.
- Military pensions for invalid and war victims.
- Temporary allowance, benefits, and life annuities paid to victims or their dependents for accidents at work.
- Life annuities paid for compensation of bodily injury causing the victim to be permanently incapacitated.
- Salary or gratuities for recognition awarded in Togo or any foreign state.

## Tax Deductions

Net taxable employment income is calculated by deducting the following allowable tax deductions from taxable employment income:

- Employee contributions to social security and compulsory health insurance.
- Deductions representing benefits in kind granted by the employer.
- Flat-rate deduction of 28% on the fraction of income not exceeding 10,000 000 FCFA per year.
- Family relief fixed at 10,000 FCFA per dependent per month, limited to 6 dependents.
- Voluntary or supplementary pension contribution limited to 6% of the annual net taxable income.
- Interest on the first 10 annuities calculated on a loan amortization table for a loan contracted for construction, acquisition, or major repair of accommodation used by the taxpayer as their main place of residence.
- Insurance premiums paid to cover the life of those insured up to 200,000 FCFA plus 30,000 FCFA per dependent child limited to 6 children per year. The insurance company which receives the premiums must be in Togo.

## Tax Rates



The annual net taxable employment income subject to the progressive tax rates shall be rounded down to the nearest 1,000 FCFA.



The annual employees' tax, calculated after applying the progressive tax rates, should be rounded down to the nearest 10 FCFA.

<b>An individual having an annual net taxable employment income (FCFA)</b>	<b>Rate</b>
Exceeding 0 but not exceeding 900,000	0%
Exceeding 900,000 but not exceeding 3,000,000	3%
Exceeding 3,000,000 but not exceeding 6,000,000	10%
Exceeding 6,000,000 but not exceeding 9,000,000	15%
Exceeding 9,000,000 but not exceeding 12,000,000	20%
Exceeding 12,000,000 but not exceeding 15,000,000	25%
Exceeding 15,000,000 but not exceeding 20,000,000	30%
Exceeding 20,000,000	35%

## Tax Rebates

There are no rebates or tax credits for individuals.

## Other Statutory Contributions

### National Social Security Fund (CNNS)

The National Social Insurance Fund is managed by the Caisse Nationale de Sécurité Sociale du Togo (CNSS) which provides old-age pensions or retirement benefits, family benefits, and occupational risk coverage.

Employers are required to register with the CNSS within eight (8) days of hiring employees.

Monthly contributions from employers and their salaried workers are calculated based on all remuneration received by the salaried worker, including allowances, bonuses gratuities, commissions as well as benefits in kind, whether received in cash or kind. This excludes reimbursement of expenses and family allowances paid by the Social Security Fund.

The remuneration on which the contribution is based cannot be less than the monthly Guaranteed Interprofessional Minimum Wage (SMIG). No maximum ceiling is applicable.

These contributions fund the social security system, which consists of four branches: family and maternity benefits, occupational risk, old-age pensions and Universal Health Insurance. Employers are required to make payments and submit corresponding monthly returns, Call for Contributions (ADC), to the CNSS within 15 days following the salary month.

Additionally, at the end of each quarter, employers must submit the quarterly declaration, Nominative Declaration of Remuneration (DNR), within 15 days following the last day of the quarter. A new digital service was introduced. Employers can also submit a single monthly declaration, Declaration of Remuneration and Contribution (DRC) using the online employer portal.

Contribution for	Employee contribution rate	Employer contribution rate
Pension	4%	12,5%
Family and maternity benefit	-	3%
Occupational risk	-	2%

## Universal Health Insurance Fund (AMO) – Branch of CNSS

The Universal Health Insurance "L'assurance Maladie Universelle" (AMU) was established by Law No. 2022-021 of October 18, 2021. The Universal Health Insurance will ensure all residents have access to health care.

The Universal Health Insurance consists of two tiers:

- Public and private employees are covered by the compulsory scheme "Régime d'Assurance Maladie Obligatoire de base" (RAMO).
- The poor and other individuals on public assistance are covered by a separate system "Régime d'Assistance Médicale" (RAM)

INAM will continue to oversee the health insurance for public and civil employees, while CNSS will be responsible for private sector employees, self-employed individuals, and ministers of religion.

Monthly contributions from employers and their salaried workers are determined based on basic salary and all taxable allowances and bonuses. This excludes reimbursements of expenses and family allowances paid by the Social Security Fund.

Salaried workers' contribution rate under the Compulsory Health Insurance Scheme (RAMO) is set at 10% of their monthly remuneration with at least 50% payable by the employer and the remainder by the employee. The remuneration on which the contribution is based cannot be less than the monthly Guaranteed Interprofessional Minimum Wage (SMIG). No maximum ceiling is applicable.

	Employee contribution rate	Employer contribution rate
Universal Health Insurance	5%	5%

A new digital service was introduced. Instead of the Call for Contributions (ADC) and the Nominative Declaration of Remuneration (DNR), an employer can submit a single monthly declaration, Declaration of Remuneration and Contribution (DRC) using the online employer portal.

# Compliance Repository Shortcuts

Shortcut	Navigation Path
 Payroll Tax Guide	In-product: Navigate to How can we help? via your profile icon > PAYSPACE WISDOM > Compliance Digital Tools > select the country. Alternatively, from PaySpace by Deel website > Resources > Africa Tax Guides
 Compliance News	In-product: Navigate to How can we help? via your profile icon > PAYSPACE WISDOM > Compliance News
 Digital Tools	In-product: Navigate to How can we help? via your profile icon > PAYSPACE WISDOM > Compliance Digital Tools > select the country
 FAQ Articles	In-product: Navigate to How can we help? via your profile icon > PAYSPACE WISDOM > Knowledge Base > FAQs
 Product User Guide	In-product: Navigate to How can we help? via your profile icon > PAYSPACE WISDOM > Compliance Product User Guides > select the country
 Preliminary Notes	In-product: Navigate to What's New > Preliminary Notes > Legislation changes
 Release Notes	In-product: Navigate to What's New > Release Notes > Legislation changes
 Tax Alerts	In-product email distributed to customers
 Compliance Pop-up Notifications	In-product pop-up notification when logging into PaySpace by Deel with a compliance notice specific to a country

**DISCLAIMER:** While every effort has been made to ensure the accuracy and reliability of this document, PaySpace does not provide any warranties or representations regarding the quality or suitability of the documentation for any specific purpose. The user, of this documentation, acknowledges and accepts that the use of this information is entirely at their own risk and that they will indemnify and hold PaySpace harmless against any and all claims and/or actions which may arise from the use thereof.