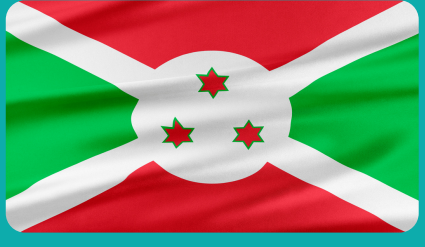


Chandrawat
& Partners

Guide to do business in
BURUNDI





ABOUT BURUNDI

There are roughly 11 million people living in Burundi, a small nation in East Africa. Despite ranking among the world's poorest nations, Burundi has made strides in recent years to enhance its business climate and draw in outside investment.

Over 90% of the population works in agriculture, which contributes about 40% of Burundi's GDP and employs the nation. Construction, energy, and mining are additional important industries. Despite the difficulties of conducting business here, there are opportunities for foreign investors in these and other sectors.

ADVANTAGES

Despite being one of the world's poorest nations, Burundi is a small landlocked nation in East Africa. There are a number of benefits to doing business there.

Improving business environment :

In recent years, Burundi has made strides toward enhancing its business climate, particularly in areas like registering real estate and establishing a business. This has contributed to making it simpler for businesses to run in the nation.

Low labor costs :

Burundi has a relatively low cost of labor when compared to other nations in the region. Because of this, it may be a desirable location for companies seeking to cut costs and boost profits.

Natural resources :

Minerals like tin, tungsten, and tantalum, which are used in a variety of industries, are abundant in Burundi. The government has been taking actions to strengthen the mining industry's regulation, which can give businesses operating in this region more stability.

Potential for growth :

With a median age of about 18, the population of Burundi is relatively young. For businesses, particularly those offering goods and services geared toward consumers, this opens up a sizable potential market.

Strategic location:

Burundi is a member of the East African Community (EAC), a regional body that encourages economic integration and cooperation among its member states. It is situated in the center of East Africa. As a result, businesses have access to a bigger market and perhaps fewer trade restrictions.

SIMPLE TAX REGIME

The tax system in Burundi is intended to bring in money for the government and give companies a secure and predictable environment in which to operate.

Types of taxes in Burundi

1. Income Tax :

In Burundi, taxable income is subject to income taxation for both individuals and businesses. Since Burundi has a progressive income tax system, higher income levels are subject to higher tax rates. Individual tax rates range from 0% to 30%.

Tax Slab Rate :

Burundi Residents Income Tax Slab Rate :-

BIF 0.000.00 to BIF 150,000.00 - 0%
BIF 150,000.01 to BIF 300,000.00 - 20%
BIF 300,000.01 and above - 30%

Burundi Non-Residents Income Tax Slab Rate :-

BIF 0.000.00 to BIF 150,000.00 - 0%
150,000.01 to BIF 300,000.00 - 20%
BIF 300,000.01 and above - 30%

2. Corporate Tax :

In Burundi, corporations that conduct business there must pay a tax on their profits. In Burundi, corporations are currently subject to a 30% corporate tax rate on their net income. Allowable expenses are subtracted from the company's gross income to determine net income.

BURUNDI COMPANIES

Depending on the requirements and goals of the company, different types of companies can be formed in Burundi. The following business categories are most prevalent in Burundi:

Sole proprietorship :

A sole proprietorship is a type of company in that is owned and operated by a single individual. The owner is fully responsible for all aspects of the business, including any debts or legal liabilities that may arise.

Partnership

A partnership is a type of company in that is owned and operated by two or more individuals who share profits and losses..

There are 2 types of partnerships in :

1. General partnership
2. Limited partnership

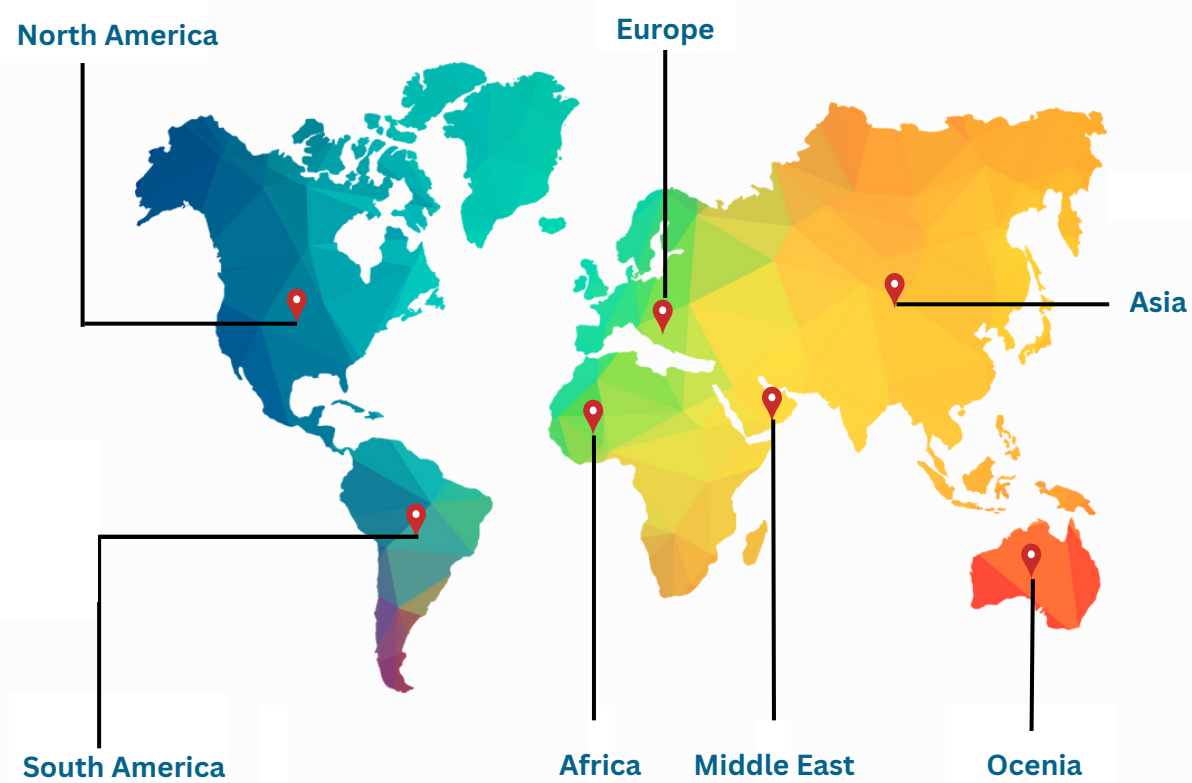
Limited Liability Company

A Limited Liability Company (LLC) is a type of company in where the owners are not personally liable for the company's debts or legal obligations. The LLC is considered a separate legal entity from its owners, and the liability of the owners is limited to the amount of their investment in the company.

Cooperative Companies

Businesses that are owned and run by a group of people with similar interests are known as cooperative companies. People who want to pool their resources and work together to accomplish a specific goal, such as generating income, opening up job opportunities, or offering goods and services to their community, typically form these organizations.

SERVING CLIENTS WORLDWIDE



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Key Contact



Surendra Singh Chandrawat

Managing Partner

✉ surendra@chandrawatpartners.com

Connect Surendra on



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