

Q U I D J U R I S ?

THE PERIODICAL INFORMATION LETTER OF HAJJI & ASSOCIÉS LAW FIRM

Number 23
March – April 2007

FISCAL LAW

The Order of the finance and privatization minister, n° 291-07 of the 23rd of February 2007, was published in the Bulletin Officiel dated March 15, 2007. This Order sets the maximum rate of interest deductible for 2007, from the credit accounts of associates.

Indeed, it sets the rate of deductible interests to associates for sums paid by them to the company for its development, at 2, 63%.

This in accordance to articles 10 (II-A-2°) and 35 of the general code of taxes provided for by article 5 of the finance law n° 43-06 for the financial year 2007 promulgated by the dahir n° 1-06-232 of December 31st 2007.

As for the first disposition article 10 (II-A-2°) of the general code of taxes, it states that the financial charges are constituted by the interest charges. They are especially interests that are noticed or billed in relation to sums advanced by the associates to the company for its development. Supposing that the capital is totally paid up and that the total amount of the sums liable for deductible interests does not exceed the amount of the capital and that the rate of deductible interest is not higher than the rate set annually by the minister in charge of finance, according to the average interest rate of the treasury bonds by six (6) months of the preceding year.

As for the second disposition, article 35 of the general code of taxes, defines the charges deductible in the listing of article 10 of the same code, excluding the income tax, and excluding the debiting made by the manager of an individual company, or the directors of companies, for example, holding companies, general partnership and sleeping partnership. Moreover, the payment of associates non directors, of these same companies, cannot be part of the deductible charges when they constitute the compensation for services rendered to the company as employees on a payroll.

Pursuant to this Order by the finance and privatization minister, n° 291-07 of the 23rd of February 2007, the rate of deductible interest, to the associates for sums paid by them to the company for its development, is set at 2, 63%.

Hajji & Associés, Association d'Avocats. 28, Bd Moulay Youssef Casablanca 20000 - Maroc

Phone : (SB) + 212 (0) 22 48 74 74
Facsimile : + 212 (0) 22 48 74 75
+ 212 (0) 22 43 00 45
Email : partners@ahlo.ma
Site Web: www.ahlo.ma

Note:

The contained information in the hereby information letter QUID JURIS provided by Hajji & Associés law firm does not constitute a legal advice on any of the above mentioned subjects and it cannot commit the liability of any of the firm lawyers.