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**THE TAX SYSTEM IN THE DEMOCRATIC REPUBLIC
OF CONGO IN THE CONTEXT OF FINANCIAL
DECENTRALIZATION ON THE EXAMPLE
OF THE LARGE ENTERPRISES
IN THE EASTERN PROVINCE IN 2011-2012**

Summary: The state is a public company whose mission is to ensure the well-being of the national community. Prior to his role was limited to sovereign tasks. But today, the state has evolved. The modern state is no longer a police state, but also the state interventionist. This means that the state plays a key role in all areas of social life in order to promote the prosperity and economic development in order to ensure a balanced budget between the decentralized administrative units. In all countries of the world, taxation is a source of state revenue. In modern countries, taxation remains the main source for financing public expenditure of the state. Democratic Republic of the Congo cannot be an exception to the already functioning policies.

Keywords: financial decentralization, income tax, the tax system, consumption tax.

Introduction

Problematic

Since gaining independence until today, the Democratic Republic of Congo continues, through its various Constitutions, to seek a form of government that can enable it to achieve an integrated development of its people and its territory. Already, the fundamental law of 19 May 1960 had established the federal form of the State insofar as this tended to bring the power of the people. But since

then, the country has experienced, as in colonial times, several reforms from centralization towards territorial decentralization focusing on the number of regional territorial entities, their legal status and their respective appellations. The moving of all these reforms remains to reconcile the administration administered while seeking how to set up a territorial development administration. Unfortunately, today over 45 years later, some people think that this objective has not been achieved; and among the reasons for this failure, one can evoke the paradox between enterprise reform and the refusal to provide sufficient resources for decentralized administration so to solve local and regional problems.

This is financial decentralization in 2012 which is the subject of our study. Indeed, in Article 3, the Constitution of February 18, 2006 has a full-text we can read among others that: “the provinces and decentralized territorial entities of the Democratic Republic of Congo are endowed with legal personality and are managed by local bodies. They enjoy free administration and autonomy to manage their economic resources, human, financial and technical”. Article 171 separates, in turn, finances the central government and those of the provinces. It is Article 175 of the Constitution which in turn provides that “the budget of revenues and expenditures of the State, namely that of the central government and the provinces, shall be adopted each year by law”.

The share of national revenue allocated to the provinces amounted to 40%. It is withholding [Constitution of the Democratic Republic of Congo]. According to articles 171 and 175 of the Constitution of February 18, 2006 has laid the foundation for the financial decentralization of the provinces and devoted their management autonomy. National character recipes, mentioned in Article 175, tax is the main source. Paradoxically, despite this financial decentralization, several sources of tax revenues still evade provinces. This results in particular from the tax mechanism paid by large companies to the Large Taxpayer Office “Directorate of Large Enterprises (DLE) »As required by Article 18 of Decree 017/2003 establishing the Directorate General of Taxes that has that» the management of large companies is responsible for the management of all fiscal operations of natural or legal persons companies selected according to criteria defined by the Branch. She handles the keeping of records Unique, monitoring, collection and litigation of these companies regarding all taxes and other duties falling under the jurisdiction of the tax department” [Law No. 004/2003 of 13 March 2003].

The principle of territoriality real, the tax is established in the State where the property is situated, where business is conducted, where revenues are realized. Besides the national real territorial principle of taxation, it is worth also mention the decentralized real territoriality. The definitions of the tax are nu-

merous and often put the emphasis on its inherent characteristics: ensure coverage of public spending and government intervention in the economic and social fields. The tax is therefore a law of the State and a duty for every person living in the Democratic Republic of Congo. The tax bases of large companies are either located or conducted in provinces but, given the different fiscal mechanisms yet in force, those taxes would escape or retaining 40%. As well as continue to raise the Governors of the provinces within their Conference, there is still the opacity for the big business tax collection by the Directorate of Large Enterprises (DLE). If territorial decentralization has long been a lure in the DR Congo, it was largely because of the dependence were the provincial finances, urban, municipal, sectoral and those of chiefdoms vis-a-vis the central government. When the Democratic Republic of Congo officially took the option in favor of the territorial and financial decentralization in order to achieve an integrated and harmonious development, we see that the tax system is still incompatible with this option. Faced with this paradox of observation between fiscal decentralization and recovery system of large corporations taxes by the Directorate of Large Enterprises (DLE) which is the subject of this study, we can ask the questions of:

- Why the tax management of large companies by the Directorate of Large Enterprises (DLE) while the provinces involved probably to taxable income and material and is recognized their independence the withholding?
- What to do to adapt the tax system to the requirements of decentralization?
These are the concerns that we will try to answer later in this essay.

Working hypothesis

In this study, we start from the observation that the collection of taxes of large companies by the Enterprise Directorate General is contradictory to the system of financial decentralization in force in DR Congo. What may be an obstacle to the effective realization of this decentralization. So the lack of own resources to the provinces and decentralized territorial entities was cited as reason for the failure of the various administrative reforms in DR Congo. What we led to believe that this contradiction (antithesis) would mainly be called to the fact that the Democratic Republic of Congo is in the process of reforms in several areas, including tax reform takes place. But this will only materialize when the provinces and decentralized territorial entities fully come into possession of revenues due to them as of right under the constitution. This assumption, however, raises, as we have already noted, the problem of the mismatch between revenue collection of large companies by the Directorate General for Enterprise and financial decentralization.

Justification and delimitation of the subject

Currently all Congolese agree on the fact that the system of centralization should be abandoned, and they accept the option for territorial decentralization.

This system can only succeed if the decentralized territorial entities are financially autonomous. However, the tax collection mechanism of large companies by the Directorate of Large Enterprises (DLE), like many other processes of Congolese tax system may thwart this option. If several studies have focused on the analysis of the factors that contributed to the failure of regional decentralization, few have touched the question of the relationship between fiscal decentralization and the tax system in force. Thus, this study would help fill this scientific gap. Our contribution to this subject is to deepen the issue of financial autonomy of the provinces and decentralized entities and analyze the institution of the Directorate of Large Enterprises which, in our view, constitutes a limitation of the financial decentralization. The study in this context is concrete, practical and operational. This is not only to demonstrate the inadequacy of the tax system of large companies with financial decentralization, to show the potential impact on the development of the provinces and decentralized territorial entities, but above all to contribute to knowledge depth of the Congolese tax law and financial decentralization while formulating suggestions that will guide the ongoing reforms.

Working methodology

To objectively analyze the problem and check the assumptions made, it was necessary that we use a working method and to define as much as possible the fundamental techniques that have helped us research instrument. In our research, we used mainly to the dialectical method which we thought was the most appropriate and most comprehensive because the dialectical method presents an explanatory attempt of social facts, that is to say it is directly related to the concept of the totality. This method aims to differentiate while differentiating the contradictions inherent in any system. It will enable us to understand and demystify the system of collection of taxes of large companies by the Directorate General for Enterprise as part of fiscal decentralization.

Subdivision of the study

The first part deals with general considerations and allows us to clarify and especially to understand the basic concepts of our work. The second part was devoted to analyze the situation of the Eastern Province and the issue of fiscal sovereignty between the central government and the provinces. The aim in this last part was to demonstrate the inability of among other national character organs through raising of revenue in the context of taxes.

1. Concept clarification

The law uses and forms innumerable concepts that are abstract representation of material objects or intellectual envisaged by the law. These concepts find their verbal expression with words. Thus the use of concepts brings the need for the definition, that is to say, the need to define the concepts and determine their exact content. It is therefore useful, before getting to the heart of our study to define the conceptual framework of the subject [Oliva, 2008, pp. 341-344]. This chapter focuses on three sections dealing respectively with the concept of tax on the concepts of corporate, Directorate General of Taxes and Large Business Directorate, and on the concepts of decentralization and financial decentralization. Our study is devoted to the problem of tax collection, we consider it necessary, before tackling other concepts, to be interested in the notion of tax, its historical evolution and its role. We then indicate the taxes falling under the jurisdiction of the Directorate General of the Enterprises, and what we mean by tax collection.

The tax term is polysemous given the various aspects it assumes and its multiple repercussions in areas as diverse and varied. If, for example, we take into consideration the aspect of justice and equality, the tax is defined as a legal process and annual distribution of public burdens according to the contributory power of each taxpayer. Under budgetary terms, it is defined as a way to provide the public treasury revenue needed to cover its expenditures [Grosclaude & Marchessous, 2013, pp. 624-625]. The authors propose several definitions of tax depending on whether one focuses on one or other of its aspects. Although the definition we proposed is classic, we do not adopt in full within the framework of our essay, for in speaking of the required cash benefit individuals, the author saw as a taxpayer that natural persons; and yet today, this service is required of individuals and corporations as private law or public law. Moreover, although the tax has no consideration, we believe that it is fitting to clarify that tax has no specific consideration because to some extent, still has a tax indirect. It follows from this definition that the tax is a cash benefit charged to individuals and legal entities of private and public law, levied according to the tax capacity of the taxpayer, by way of authority, finality, for coverage of public spending and the achievement of economic and social objectives set by the public powers [Collet, 2013, p. 464]. In Democratic Republic of Congo, the term was restored by Act No. 005/2003 of 13 March 2003 on the restoration of the term "tax" and substituted the word "contribution" contained in the laws of orders No. 69-006 10 February 1969 concerning the actual contribution, No. 69-007 of 10 February 1969 on the

schedular contributions on revenues and No. 69-058 of 5 December 1969 on the contribution on the turnover, as amended and supplemented to date, in their implementing measures and in any other law or regulation are making reference [Act on the Tax Code].

2. Identifying specific skills to a community

2.1. Revenue breakdown compared to 2010-2012

The constitutional principle of the withholding of 40% of tax revenues to national character implies concern for the determination of the tax base in each province of the DR Congo.

Thus, we analyze the fiscal achievements of the Provincial Directorate of Taxes / Province Orientale over assignments and we will see later what the companies under management of the General Directorate of Companies selected to the Eastern Province [Roux, 2011, pp. 381-382].

In fact, the selection of large enterprises of the Eastern Province by the management of large companies has resulted in the reduction of the tax base of the province to the extent that it causes a shortfall certain. Table 1 below shows the breakdown of revenue compared to 2010-2012.

Table 1. Revenues breakdown compared to 2010-2012

Year	ASSIGNMENTS	Achievement	Percent (%)
2010	660.000.000,00 FC	1.070.747.069,40 FC	161,58
2011	1.593.125.665,00 FC	1.281.980.418,74 FC	79,20
2012	1.350.527.358,10 FC	1.590.186.954,01 FC	117,75

Source: [Directorate of Large Enterprises, 2012, p. 23; Minister for SMEs, 2010, p. 7].

We can say that the evolution of tax revenues is positive in view of the above table. Thus, we find that there has been an increase in assignments at the achievements that despite the reduction of the tax base. Several reasons justify this increase in revenue that is actually independent of the principle of single contact management major undertaking. But in reality, despite this nominal increase, the tax base the Provincial Directorate of Taxes / Province Orientale decreased because many business was taken away in favor of the Directorate General of Enterprise [Pechillon, 2011, pp. 59-62].

The constitution of February 18, 2006 determines two levels of exercise of political power that are the state at the central level and the province becomes a true political institution. The decentralized territorial entities (DTE) are, as well

as the central government and the provinces, governance authors in Democratic Republic of Congo. The Congolese constitution divides powers between the State and the provinces. This distribution is in the form of enumeration of powers vested exclusively either to the central government or the provinces. The same constitutional text also provides for concurrent jurisdiction of the central government and the provinces.

2.2. Powers of the State and the provinces

You should know that the major aspects of decentralization in the Democratic Republic of Congo have been locked in advance by the constitution, which automatically determines the division of powers and the allocation of financial and human resources between the State and the provinces. In principle, the central government may not infringe on provincial jurisdiction of the provinces even those of the central government. In matters of concurrent jurisdiction, national legislation has pre-eminence over provincial legislation. Articles 202, 203 and 204 of the Constitution determines those skills.

2.3. The responsibilities of decentralized territorial entities

Unlike the provinces, the attributions of decentralized territorial entities (DTE) are set not by the constitution but by the Organic Law No. 08/016 of 7 October 2008. It appears from this law that the attributions of decentralized territorial entities are very broad in that they relate to the business of “interest either urban or municipal or area or chiefdoms,” that is to say, collective needs of the inhabitants.

The attributions of decentralized territorial entities (DTE) must cover the subjects that concern them daily administered, among which are:

- Local governance.
- The local economy including public procurement, agriculture, livestock and artisanal fishing, small and medium industry, micro credit, small business.
- Local databases amenities.
- The local roads, landfills, etc.

The decentralized territorial entities may also deal with matters referred to them by the higher authority, either the state or the province [Maitrot de la Motte, 2011, pp. 304-305]. Finally, in the context of devolution, the central government or the province may entrust the decentralized territorial entities (DTE) implementation tasks on the basis of delegation. This, for example, the case for the civil services and state of the population.

2.4. Attribution of legal personality and its consequences

It is true that the constituent provinces and decentralized territorial entities endowed with legal personality. As we have already said, Article 2 paragraph 1 of the Constitution of 18 February 2006 provides that the DRC is composed of 25 provinces plus the city of Kinshasa. Paragraph 2 of that article lists as we have shown above. Article 226 meanwhile states that new provinces and decentralized territorial entities will take effect within thirty six months of the effective installation of the political institutions established by this Constitution in the provisions of paragraph 1 of Article 2. Pending the entry into force of these new provinces and decentralized territorial entities, we can confirm the legal personality of the former provinces and Kinshasa, territories and municipalities for the city of Kinshasa in accordance with Legislative Decree No. 018/2001 of 28 September 2001 amending and supplementing the Decree Law No 081 of 2 July 1998 on territorial and administrative organization of the DR Congo in Article 7. The direct consequence of the legal personality is logically financial autonomy. It is in this sense that Article 3 paragraph 3 of the Constitution states that the provinces and decentralized territorial entities enjoy free administration and management autonomy of their economic, human, financial and technical. Again we must remember that financial independence should be the rule in the second level of decentralization, that is to say between the provinces and decentralized territorial entities (DTE). But the constituent devoted only financial decentralization between the State and the provinces. Thus the issue of financial autonomy of the decentralized territorial entities (DTE) remains valid. For the latter consider to be deprived of 40% of national revenue allocated to the provinces. Indeed, the fear expressed about the centralized management of resources by the central government is also reflected in the relationship between the provinces and decentralized territorial entities (DTE).

2.5. Financial decentralization

The aim of our study is to analyze the thesis that financial decentralization is the antithesis of tax collection from large companies. Indeed, unlike other states which have established the principle of the allocation of public resources between the central government and the provinces within the framework of federalism without determining the key, 2006 constituting went further in the provisions of Article 175 of the constitution. It is therefore necessary before ruling on the application or not of financial decentralization to recall the guiding principles

of the management of public resources stemming from the constitutional and legal analysis [Chouvel, 2011, p. 104].

We can, after analysis, mention three guiding principles for the management of public resources:

1. *The principle of conservation*: this system enables the central government to levy its profit customs duties, schedular income taxes, tax revenues, excise taxes, administrative fees and charges and judiciary, Crown and participation.
2. *Assignment*: According to this system, the state collects on behalf of the tax authorities “real” such as property tax, tax on rental income from non-trading individuals and legal entities, the tax on mining and hydrocarbons concessions, tax on vehicles (vignette), the road tax, consumption tax on beer, tobacco and cell phones.
3. *Waiver*: With this management system, the government is developing a tentative list limited tax being waived. This list is determined by the Decree of 1998.

In light of the law, we can classify the DR Congo of financial resources in three categories with revenues at national, windfall revenues and own revenues to provinces and decentralized territorial entities (DTE).

Regarding resources from recipes to national character, we can say that the state kept them. These recipes are:

- The administrative receipts, court, Crown and participation.
- Revenues of Customs and Excise.
- Revenues from taxes of large companies, petroleum products.

And to collect the first category tax, the state has established the following financial authorities involved in the order, the above recipes: the Directorate General of Revenue and Administrative Domaniales (DGRAD), the Customs and Excise Office (OFIDA) and the Directorate General of Taxes (DGT) with a special body to recover the taxes of big business – the Enterprise Directorate General. Regarding the exceptional resources, external loans include (conservation as performed by the state), domestic borrowing (waiver because of provincial jurisdiction) and equalization fund consists of 10% of national revenue (principle of conservation). As for the own resources of the provinces and decentralized territorial entities (DTE), the principle of waiver premium because the state has waived the benefit of these communities. After this analysis, we can say without fear of contradiction, that the financial decentralization raises problems:

- First, on the conservation we can ask ourselves if it concerns only the establishment and collection of these resources or their disposal.

- Secondly, disposal problem with regard to the withholding of the revenue to the national character of certain taxes to which the central government has renounced to the provinces.
- Third, the total or partial waiver is it in terms of the establishment, collection and control?

We try to provide solutions to these problems at paragraph on fiscal sovereignty. But meanwhile, what about current financial decentralization in the Democratic Republic of Congo? Three years after the promulgation of the Constitution, the provisions on financial decentralization are not yet implemented. The table on the financial decentralization is all red. Provincial governors have continued to accuse the central government of “ignoring” their rights, including those related to the withholding of 40% of revenue to national character. The issue was still on the agenda of the last conference of provincial governors held from June 24 to 25, 2009 in Kisangani. No serious resolution was taken during this meeting, if not the suggestion of the governors to the central government of the institution of a permanent payment order from the branches of the Central Bank to facilitate the payment to provinces. It is true that several prerequisites are necessary for the implementation of financial decentralization as the supervision of financial sources of each province, but it is also true that politicians do not understand the issues of decentralization and slows the process. Moreover, we note that Article 220 paragraph 2 prohibits any constitutional revision with the purpose or effect of reducing the powers of the provinces and (DTE) [Roux, 2011, pp. 381-382]. The machine has been locked. So there is no other mechanism that the application of financial decentralization.

2.6. Distribution of powers in tax matters

To in the last paragraph to determine the fiscal powers of the central government and the provinces [Bouvier, 2012, pp. 94-95]. Indeed, like the state, local authorities have the opportunity to use the tax to finance their spending because the financial autonomy and fiscal decentralization are not reduced to autonomy or decentralization of expenditure, but assume that communities can freely set the volume of their revenues, thus giving them a clean fiscal power. We analyze this power at four levels including the establishment of the tax, its collection, arrangement and control.

2.6.1. The power to establish and collect tax

Local or regional authorities do not have their own power on establishment of tax. This is the domain of the law and cannot be established by way of provincial edict. Section 174 of the Constitution extends the power of the law to the exemption and tax relief. Regarding recovery of power, we can say that it is either the inherent jurisdiction of the province to the taxes to which the central government has waived either the jurisdiction of the central government for national character to taxation under the principle of conservation, or even the concurrent jurisdiction between the province and the central government under the financial decentralization of our opinion. Besides the tax is included in the list of both provincial and national competences as listed in Articles 202, 203 and 204.

2.6.2. Power to dispose of and control

Arrange tax means affect budgetary expenditure, and control means following tax actually paid and, where appropriate penalize non-payment [Oliva, 2008, pp. 528-529]. It is sure that communities have the power to dispose of their taxes transferred without interference of the central power and to control the payment because these taxes are classified as own resources of the province. The problem seems complex in terms of national character in taxes. Indeed, for these taxes retained by the central government and part of which must go back to the provinces of allegiance criterion of 40% deducted at source is here that the real territoriality. This means that a province can claim to be entitled to 40% of revenue to national character, it is necessary that these revenues are realized in its territorial extent. Otherwise, it will merely revenue from the equalization fund [Collet, 2013, p. 464]. This is the content of the financial decentralization. It therefore seems clear that all tax powers hitherto exercised by the single central authority are not all of its sole competence. Some belong in principle to the provinces, while others fall under the concurrent jurisdiction of the provinces and the central government. If one wants to be successful financial decentralization, should therefore think about a reform of national financial authorities in order to collaborate with provinces in their management.

2.7. Suggestions for reform of the Directorate General of Taxes

As shown above, the Directorate General of taxes, with administrative and financial autonomy, and created within the Ministry having Finance in its attributions, is a national public service managed in-house with all the prerogatives in

tax matters. It is organized into central services and operational departments, including the Department of Large Companies, urban Directorate Kinshasa, provincial and Field Services Divisions. The need for financial decentralization pushes us to suggest a concrete reform because the tax authorities can no longer remain the exclusive competence of the tax authority the mere fact that the provinces have the right to withhold 40% of the revenue that she realizes in each provincial territorial division. Our suggestions include two parts: the first part concerns the organizational and competence of the tax authorities, while the second is the method of appointment of the authorities of each organ [Bouvier, 2012, pp. 123-124].

2.8. Structure and jurisdiction

We suggest that the Congolese tax administration can be organized at three levels:

- At national level: The Directorate General of Taxation depending directly from the Ministry having Finance in its attributions.
- At the provincial level: the Provincial Directorate of Taxes depending provincial government.
- At the decentralized territorial entities according to the importance of tax-dependent taxes of local authorities Centers.

In this way, the Major Companies would be deleted, and the Urban Management Kinshasa transformed into Provincial Directorate for the city of Kinshasa is a province town. Dependence in question for each proposed body will be explained in the next point.

Concerning jurisdiction, we suggest the following:

- The General Tax Directorate (DGI) would like mission collecting items for determining the tax base and the establishment of program contracts for each Provincial Directorate, receiving reports recoveries of Provincial Directorate of Taxation, control and suggestions vis-a-vis sanctions both administrative authorities and taxpayers. In short, it is the body of study and control, with the power to propose solutions to the Provincial Directorate of Taxes.
- The tax would Provincial Directorate mission is the recovery of all national character and tax withholding of 40% of these revenues to the province, the implementation of decisions relating to the assessment of taxes Provincially, the sanction defaulting taxpayers, control of external services that are tax centers with power to propose sanctions, management of litigation between the administration and taxpayers.

- The tax centers: tax services being installed at the decentralized territorial entities (DTE), they would have no exclusive jurisdiction outside their delegated by the General Tax Directorate or the Tax Provincial Directorate because not concerned by financial decentralization. But local authorities could grant them the tracking power of national revenue realized in their territorial division. Thus, we distinguish the one hand the power of assessment and control of national character Taxes, the Directorate General of Taxes and the competence of tax collection power and achievement of program contracts, the Provincial Directorate of competence taxes. Between the Directorate General of Taxes and the Provincial Directorate of Taxes, there would be decentralization and service and between the Provincial Directorate of Taxes and tax offices, there would be technical distracted.

2.9. Appointment of executive authorities of each organ

Again, the major concern remains the collaboration between the central government and the province. Thus, contrary to the provisions of Article I of Decree No. 04/099 of 30 December 2004 who want the officers be appointed and, if necessary, removed from office by the President of the Republic on the proposal of Minister having Finance in its attributions, we suggest the following:

- The Director General of Taxation and his deputy may continue to be appointed and, if necessary, removed from office by the President of the Republic on a proposal of the Minister in the National Finance in its attributions.
- But on the provincial directors, we propose they be appointed and dismissed if any of their duties by the President of the Republic on the provincial governor after consulting the provincial council.

In that sense, the provincial directors of taxes would depend, as regards their appointment, concurrently the central government and the provinces. On the heads of centers, they can be appointed and removed if necessary from office by the provincial director of taxes after obtaining the assent of the authority of the local executive.

Conclusions

In conclusion, let's get on with synthesize key ideas of our essay and open perspectives on the subject, both close and realistic enough. Tax collection of large companies as intended by the provisions of Article 18 of Decree No. 017/2003, and financial decentralization posed as public financial manage-

ment system between the state and the provinces of DR Congo by Article 175 of the Constitution; constitute a paradox and raise issues of why this recovery continues to be operated by the central government while the provinces are participating likely to income and taxable items and which are recognized deductions at source of national revenue and what to do to adapt the tax system to the requirements of financial decentralization? To these problems, we answered that one of the reasons why the changes enshrined in the Constitution of February 18, 2006 slow in coming is that Democratic Republic of Congo is in the process of reforms in several areas and tax reform with a view to adaptation to fiscal decentralization in part; but such reforms can only succeed if the mismatch between the provisions of Article 13 of Decree No. 017/2003 and those of Article 175 of the constitution is demonstrated. The approach of the entire dialectic has enabled us to objectively analyze the problems raised and to verify the assumptions made. This approach was supported by documentary techniques and unstructured interviews. To achieve the results, the study was divided (split) into two parts:

- The first part allowed us to better define some different key concepts of our work.
- The second part of this work presented some results and especially the functioning of Congolese laws on the taxation.

Therefore, in order to prove the inadequacy of the tax system in force and financial decentralization and also to make proposals for reform of the tax administration, the second part has analyzed the tax position of the Eastern Province for demonstrate the impact of the inadequacy of the institution of the Directorate of Large Enterprises on revenue of this province in the possible application of financial decentralization. The last part also did an inventory of decentralization in the Democratic Republic of Congo to see if the provisions for financial decentralization are applicable before considering reforms suggested having defined the division of powers in tax matters between the central government and the provinces. After the development of these chapters we reached the following results:

- The component of February 18, wanted in conscience financial decentralization to the point that it has locked any attempt to revise the constitutional provisions designed to reduce the powers of the provinces and decentralized territorial entities (DTE).
- Financial decentralization exists only first degree of decentralization in the Democratic Republic of Congo, that is to say at the constitutional regionalism. The decentralized territorial entities (DTE) enjoy financial autonomy.
- The existence of the mismatch between the tax treatment of corporations and financial decentralization, requiring a reform of the tax administration thus separating the power of establishment of a national character with the tax recovery authority.

- Since the promulgation of the constitution, February 18th, 2006, until today, the non-application of the constitutional provisions on fiscal decentralization.
- The need for scalable contradiction between the State and the provinces and between the provinces and decentralized territorial entities (DTE) the other to achieve the long-awaited development in Democratic Republic of Congo. Given the above, we believe our work has allowed so slightly, highlighting the problems related to the recovery of income taxes of large companies as part of financial decentralization taking the Eastern Province as study space and made very concrete answers tracks to achieve the ultimate objectives of the territorial and financial decentralization.

However, we have no claim to have identified all aspects of public finance issues in the context of financial decentralization. We think, for example, it would be possible to conduct further analysis including the following:

- Financial decentralization and collection of duties of customs and excise.
- Financial decentralization and revenue collection of taxes and administrative fees, court, Crown and participation.
- Financial decentralization and indirect taxation in the Democratic Republic of Congo.

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**SYSTEM PODATKOWY W DEMOKRATYCZNEJ REPUBLICIE KONGA
W KONTEKŚCIE DECENTRALIZACJI FINANSOWEJ NA PRZYKŁADZIE
OPODATKOWANIA DUŻYCH PRZEDSIĘBIORSTW W PROWINCJI
WSCHODNIEJ W LATACH 2011-2012**

Streszczenie: Państwo jest spółką publiczną, której zadaniem jest zapewnienie dobrego samopoczucia wspólnoty narodowej. Wcześniej jego rola ograniczała się do suwerennych zadań, ale dziś państwo ewoluowało. Współczesne państwo nie jest już tylko państwem policyjnym, ale także państwem interwencjonisty. To znaczy, że państwo odgrywa kluczową rolę we wszystkich dziedzinach życia społecznego w celu promowania dobrobytu i rozwoju gospodarczego, a także zapewnienia zrównoważonego budżetu między zdecentralizowanymi jednostkami administracyjnymi. We wszystkich krajach świata podatki są źródłem dochodów państwa. W nowoczesnych państwach pozostają głównym źródłem finansowania wydatków publicznych państwa. Demokratyczna Republika Konga nie może być wyjątkiem od funkcjonujących już zasad.

Słowa kluczowe: decentralizacja finansowa, podatek dochodowy, system podatkowy, podatek konsumpcyjny.