

The background of the entire page is an aerial photograph of a mangrove wetland. The water is a mix of brown and green, indicating sediment and vegetation. The land is covered with dense green mangrove trees and smaller shrubs. The overall scene is a natural, coastal environment.

COUNTRY GUIDE: SENEGAL

global@zapeo.net

<https://zapeo.net/senegal/>

TABLE OF CONTENTS

● About us	Page 1
● Work Permits/VISA	Page 2
● Employment contracts	Page 3
● Paid time off	Page 4
● Employee benefits	Page 5
● Tax	Page 6
● Payroll	Page 7
● Legislation and statutory bodies	Page 8

ABOUT US

ZAPEO is an International PEO co-employer providing Employer of Record (EOR) Services in more than 113 countries around the world.

As an EOR, we provide employment contracts, payroll employees, pay over any taxes and statutory contributions and provide sponsorship for visa applications in order to comply with specific laws and regulations in the country.

We also assist with onboarding and termination of both local or expatriate employees.

BENEFITS

- Legal compliance
- Time and cost savings
- Access to global talent
- Flexibility
- Reduced liability
- Expertise



WORK PERMITS AND VISAS



There are numerous types of visas that foreign nationals can use to enter Senegal. Individuals who intend to work in Senegal will require a work permit. The following are the most prevalent forms of work permits in Senegal:

- Work permit for a local hire.
- Work permits for specific assignments.

The sort of permit required by your personnel is determined by a number of factors, including their credentials as well as the nature and duration of the work they will be performing for your firm. Business visas are also issued by the Senegalese government, which may be useful for some members of your company. Foreign people with business visas are allowed to enter Senegal for short-term business purposes, such as:

- Dealing with business contracts.
- Conferences, business meetings, and training sessions are all options.
- Creating professional relationships for the sake of business.
- Long-term employees, on the other hand, will require a work permit.

EMPLOYMENT CONTRACTS



Probation period

Three-month probationary periods for executives and one-month probationary periods for non-executives are allowed and may be renewed.

Notice period

When ending an indefinite contract, most workers must give 15 days' notice, whereas executives must give at least two months' notice. When an employer terminates a contract, ordinary employees receive one month's notice, supervisors and supervisory-level employees receive two months' notice, and executives receive three months' notice. An employer may also fire an employee without notice if the employer has fair reason, such as if the employee has committed substantial misbehavior.

Minimum wage

Senegal's minimum pay rate for general employees is 209.10 CFA francs per hour, while for agricultural workers it is 182.95 CFA francs per hour.

Working hours and overtime

Senegal has a 40-hour work week in general. For the first eight extra hours, you will be paid at 110 % of your regular hourly rate; beyond the 48th hour, you will be paid at 135 % of your regular hourly rate. According to Decree n. 2006-1262, overtime labor is allowed for up to 100 hours per year.

Termination

Fixed-term contracts usually end when they expire and can only be canceled early if there is a compelling cause. An indefinite contract can be canceled by the parties agreeing to it, or by either party when the requisite notice time has passed.

Severance

Workers are often eligible for severance compensation of 25 to 40% of their average salaries over the previous 12 months for each year of service. The proportion is determined by the duration of service and the terms of the collective bargaining agreement.

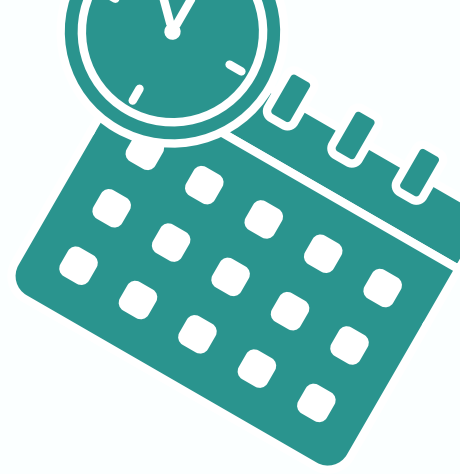
Non-compete clause

In the employment agreement, employers may include a non-competition provision.

Collective bargaining

The right to collective bargaining is legally recognized.

PAID TIME OFF



Annual Vacation

After completing at least twelve months of employment, an employee is entitled to 24 working days of yearly leave. The period of paid annual leave grows with the length of employment.

Sick

Employees are normally entitled to a minimum of five paid sick days.

Maternity

Women are entitled to a compensated maternity leave of 14 weeks. Pay and benefits: Maternity leave is compensated at 100% of prior wages, with the government footing the bill.

Paternity

Paternity leave is not a legal right

Family

N/A

National Holidays

Senegal has a total of 14 public holidays which are paid.

Other Paid Time Off

N/A

EMPLOYEE BENEFITS



Statutory

Unemployment

N/A

Workers compensation

Monthly contributions depend on the assessed degree of risk.

Social Security

The employer contributes 8.4% and the employee must contribute 5.6%, based on the employee's monthly earnings.

Retirement

Covered by Social Security.

Health

The employer must provide for all employees a medical coverage. The level of coverage will depend on the type of agreement concluded.

Private

Workers compensation

Private worker's compensation available.

Retirement

Private retirement schemes available.

Health

Private health insurance available.

Life

Private life Insurance available.

TAX



Personal Income Tax (PIT)

- **Tax year** : January 1st to December 31st
- **Tax rate** : The highest tax rate is 43% whilst the lowest is 0%.
- **Tax method** : Senegal uses a progressive tax system.
- **Tax residency requirements** : Senegal considers the following people to be tax residents:

- Individuals with a permanent domicile or permanent residency in Senegal;
- Individuals with a permanent domicile or permanent residency in Senegal;
- Individuals with a professional activity in Senegal, excluding subsidiary activities;
- Individuals with a "centre of economic interests" in Senegal.

- **Double taxation agreements (DTA's)** : Senegal has multiple double taxation agreements.

Investment Income Tax

There are no particular mechanisms in place for royalties. In general, and in the event of international payments, they are liable to 20% WHT (subject to a DTT that might limit or exclude the WHT) and, in any case, 18% reverse VAT. Capital gains arising from asset transfers are subject to the 30% CIT. There is no basket system in place. Stock sales by a non-resident are subject to the 30% CIT, subject to the application of a DTT.

Taxable Income

Senegalese tax citizens are required to pay taxes on their international income. Salary income is always taxed in Senegal, as long as the job is done there or the company is based there.

PAYROLL



Payroll Elements

- **Income:** Salary, earnings, bonuses, overtime pay, taxable benefits, allowances, and certain lump sum perks are examples of remuneration (revenue from employment). Profits or losses made by a company or trade. Income or profits derived from an individual's status as a trust beneficiary.
- **Deductions:** Tax is withheld at the source on the following income (subject to DTTs and specified exemptions): dividends - 10%, bond interest rate - 13%, deposits or guaranteed interest on Senegalese bank accounts - 8%, other income, most notably interest on loans - 16% and rental income - 5%.
- **Benefits in Kind:** Benefits in kind can include accommodation, company car, phone and/or electricity.
- **Employer contributions:** Workers compensation, health and social security.

Payroll Taxes

The payroll tax is 3% of the taxable gross salary.

Payroll Calendar

Wages are normally paid on the final working day of the month, according to the payroll cycle.

LEGISLATION AND STATUTORY BODIES



LEGISLATION

- Constitution of Senegal, 2001
- Social Security Code, 1997
- Labor Code, 2007

STATUTORY BODIES

- West African Economic and Monetary Union (WAEMU)
- Organization for the Harmonization of Business Law in Africa (OHADA)
- Tax authority
- Ministry of Public Function, Labor, Employment, and Professional Organizations



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information or a **FREE**
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global@zapeo.net
