

FEDERAL SUPREME COURT CASSATION CASES

RELATING TO INCOME TAX AND
VAT

Schedule A (A case between minister of justice and Tekle Garedew and others. No. 65330, June 30. 2003. Vol 11)

- Starts in civil service court agency
- Any income from employment including compensation except total disability and death compensation is taxable. A case between ministry of justice and Tekle Garedew and others. No. 65330, June 30. 2003. Vol 11
- Rehabilitation is not taxable

Expenditure (A case between heirs of engineer Werku Mekonen and Bole sub city revenue office, no. 14699, November 7/1998 vol 3)

- The expense to business shall be proven.
A case between heirs of engineer Werku Mekonen and Bole sub city revenue office, no. 14699, November 7/1998 vol 3
- It was related to construction business
- The invoices were not permuted by tax authority

Enforcement of capital gain (A case between Kolfe Keranyo sub city land administration authority and J.M trading, no. 79189, March 9, 2005 vol 15

- With out paying the capital gain, no person can claim service of transferring property as well court cannot obliged to execute. A case between Kolfe Keranyo sub city land administration authority and J.M trading, no. 79189, March 9, 2005 vol 15

Categorization of taxpayers

- Tax authority has the obligation to change taxpayer's category level. A case of Bole sub city revenue office v. Ato Million Assefa, Federal supreme court bench, file No. 72824, decide on July 18, 2004 E.C
- The attorney was first a category c taxpayer

Withholding method of income tax assessment (A case between Dashen Bank and Nredin Mehamed. No. 69677, December 20, 2004. Vol 13)

- Persons who have the obligation to withhold income tax cannot be obliged by court to pay what they held since it is their legal obligation even though it is not included in the contract. A case between Dashen Bank and Nredin Mehamed. No. 69677, December 20, 2004. Vol 13
- in arbitration Dashen ordered to pay some amount of money as a rent income .

Estimation method of income tax assessment (A case between ERCA and Ato Abebe g/ezgiher, no. 69921, January 2, 2004 vol 13.)

- Using estimation method of assessment when the tax authority reject the submitted book of account or the tax payer does not submit the book. A case between ERCA and Ato Abebe g/ezgiher, no. 69921, January 2, 2004 vol 13.
- He prepared a book of account but it has a hidden amount which was later gained by the authority.
- A similar case between ERCA and Mulu Amin plc. No. 88446, May 30, 2006 vol 16

VAT exemption (A case between Ethiopian renting house agency and W/ro Mlte tsega and others, no. 39574, October 3,2002 vol 10)

- Business house renting is not exempted from VAT and the customer has a legal obligation to pay it even though it is not clerly put in the contract. A case between Ethiopian renting house agency and W/ro Mlte tsega and others, no. 39574, October 3,2002 vol 10
- The agency concludes a contract of house renting for business

Obligatory VAT registration (A case between ERCA and Abduraqadir Hussen. No. 82061, September 20, 2006 vol 15)

- A taxpayer who has the obligation to be registered in VAT shall pay the tax starting from the time when the registration could be taken. A case between ERCA and Abduraqadir Hussen. No. 82061, September 20, 2006 vol 15

The obligation to give invoice (ERCA and Alemu Gaba, no. 59851, February 11. 2003. Vol 11)

The taxpayer has the obligation to give invoices starting from the registration. A case between ERCA and Alemu Gaba, no. 59851, February 11. 2003. Vol 11