

FID Series

"Key impact results"

A digital tool to improve property tax management in Dakar

How can the tax authorities be enabled to mobilise tax revenue more effectively in order to fund more essential services for Senegalese taxpayers? This is the challenge addressed by the Project to Improve the Management of Property Taxes (PAGCF) in Senegal, which is jointly led by a research team and the Directorate-General of Taxes and State Property (DGID). It aims to test a new approach to managing property taxation, based on a digital platform that centralises cadastral data and automates the issuing of tax notices, drawing on a digital property survey and systematic geolocation of properties, as well as a more accurate and fairer property valuation formula.

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Key impact results

The evaluation carried out between 2022 and 2025 demonstrated that this digital platform has expanded the tax base of the Senegalese tax authorities, while improving the system for issuing tax notices and collecting property tax. The platform has also facilitated the scale-up of property registration and taxation schemes.

92 %

of properties registered.

63 %

of properties issued a tax notice, compared to approximately 10% prior to the program.

5 631

additional taxpayers, an increase of 15.8 percentage points.

+1,67 millions

euros in additional revenue, an increase of 13.5% in the region's revenues.

Impact study methodology

Between 2022 and 2025, the FID supported an experimental evaluation covering 194 cadastral sections and 80,000 plots, randomly allocated across 97 treatment sections and 97 similar sections serving as a comparison group. These results were supplemented by an analysis of data from self-reported surveys conducted in July–August 2025.

The impact evaluation addressed three research questions

01 How effective is the program in terms of collecting tax revenue?

02 Does using a formula to assess property values make the tax system more reliable and fairer?

1. How effective is the program in terms of collecting tax revenue?

The more reliable land registry database and automated system for issuing tax notices have significantly improved property tax collection.

The initiative has improved every stage of property tax administration, from registration to the issuing of tax notices. As a result of the geolocated property survey, **92% of properties** (38,900) are now registered in the new database and **86%** have been identified as taxable. A tax notice was issued for **73%** of these properties (26,412), thereby doubling the likelihood of a property being matched to a notice. These improvements stem from a more accurate database, which corrects the vast amount of obsolete information (property owners, addresses, etc.) that made collecting tax more difficult in the past. The program made it possible to distribute 19,422 additional notices (the rate of eligible properties receiving a notice rising from 10% to 63%), record 5,631 additional payments (the compliance rate rising **from 16% to 31.8%**) and generate **1.10 billion FCFA** (€1.67 million) additional revenue on the study area.

2. Does using a formula to assess property values make the tax system more reliable and fairer?

Using an algorithm to value real estate helps reduce unequal treatment among taxpayers.

The formula estimates market rental values more objectively, while also making tax estimates more equitable. The findings show that the discretionary valuation method previously used by tax authorities resulted in real estate values being substantially underestimated, particularly high-value properties, leading to potential revenue losses and significant inequities. This method also reduces horizontal inequity, as similar properties are much more likely to be taxed at similar amounts.

3. How do taxpayers view the new system, and does it affect compliance?

The more reliable and transparent system for property tax management has improved taxpayers' perceptions and willingness to file their tax returns and pay taxes.

The final survey, which was self-reported and conducted among a representative sample of nearly 4,000 property owners in the Dakar region, 1,600 tenants and 200 neighborhood representatives, supported the findings from the administrative data: the probability of

being issued a tax notice rose from **16% to 48%**, and the likelihood of paying from **21% to 36%.** Taxpayers also have a better understanding of how property tax works, with awareness that it goes toward funding local authorities rising from **30% to 34%**. They also now consider the system more transparent: the proportion of those who stated that informal payments are common practice fell from **10% to 7%**.

These findings prompted the Senegalese Ministry of the Economy and Finance to scale-up the scheme nationwide with the support of a Proof of Impact and Public Policy (PIPP) from FID for 2026-2028.

Find out more

Research

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