



Europe, Middle East & Africa Tax Facts 2014

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ALBANIA

INCOME TAX RATES 2014

Individuals

Taxable Income (ALL)	Tax Rate (%)
Up to 30,000	0%
From 30,001 to 130,000	13% on the amount exceeding 30,000 ALL
Over 130,001	13,000 ALL +23% on the amount exceeding 130,000 ALL

Companies

Taxable Income (ALL)	Tax Rate (%) or Amount
Corporate income tax for all commercial companies and permanent establishments with an annual turnover exceeding 8 million ALL at a flat rate of:	15%
Small businesses with annual turnover between 2 million ALL and 8 million ALL at a flat rate of:	7.5%
Small businesses with annual turnover up to 2 million ALL:	25,000 ALL

VALUE ADDED TAX (VAT)

Standard rate: 20%

Other Rates:

- **VAT Exempted:** Local and cross-border supplies of services and importation of goods carried out by operators in the hydrocarbons sector and directly relating with the exploration phase; Supply and information of medicines and health care services as of 1 April 2014.
- **0% For:** All exports; International transport of goods or passengers and supplies of goods and services related to it; Supplies of goods or services in relation to commercial or industrial activities in the sea.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are normally considered to be ordinary income and are taxed at a rate of 10%.

- Income from Transfer of the right of ownership of immovable property, land and building is taxed at 10% on capital gains realised.
- Transfer of ownership titles over agricultural land by a registered farmer to another farmer or an entity engaged in agricultural activity, is exempt from personal income tax.
- Income from Transfer of quotas or shares is taxed at 10% on capital gains realised.
- Expatriate's capital gains are taxable if realised in the territory of Albania unless the provisions of DTT apply.

Companies

- Corporate Income Tax

LOSSES

Losses can be carried forward for a limited period of 3 years. No losses carry back. Losses of a taxpayer may no longer be carried forward if the direct or indirect ownership of the share capital or voting rights of the taxpayer changes by more than 50%.

TREATY NETWORK

Albania has signed Double Tax Treaty agreements with 39 countries of which 21 are EU countries.

WITHHOLDING TAX

Dividends: 10% (Subject to reduced rates under a tax treaty)

Interest: 10% (A lower rate can apply, provided it is envisaged by a double taxation agreement)

Royalties: 10% (A lower rate can apply, provided it is envisaged by a double taxation agreement)

Footnote: Small business comprises taxpayers with annual turnover up to 8 million ALL

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ANGOLA

INCOME TAX RATES 2014

Employment Income Tax (IRT)

IRT is withheld on a monthly basis by the employer or payer at the rates shown below:

Income (AOA)	Tax Rate
0 – 25,000	exempt
25,001 – 30,000	5% over the excess of 25,000
30,001 – 35,000	fixed amount 250 + 6% over the excess of 30,000
35,001 – 40,000	fixed amount 550 + 7% over the excess of 35,000
40,001 – 45,000	fixed amount 900 + 8% over the excess of 40,000
45,001 – 50,000	fixed amount 1,300 + 9% over the excess of 45,000
50,001 – 70,000	fixed amount 1,750 + 10% over the excess of 50,000
70,001 – 90,000	fixed amount 3,750 + 11% over the excess of 70,000
90,001 – 110,000	fixed amount 5,950 + 12% over the excess of 90,000
110,001 – 140,000	fixed amount 8,350 + 13% over the excess of 110,000
140,001 – 170,000	fixed amount 12,250 + 14% over the excess of 140,000
170,001 – 200,000	fixed amount 16,450 + 15% over the excess of 170,000
200,001 – 230,000	fixed amount 20,950 + 16% over the excess of 200,000
>230,001	fixed amount 25,750 + 17% over the excess of 230,000

Business Income Tax (Imposto Industrial)

Resident companies (and permanent establishments of non-resident entities) – 35%.
Non-resident companies – “turn-key contracts” and services contracts (i.e. technical assistance, management and other contracts with similar nature) are subject to withholding tax at rates of 3.5% (contracts related to buildings) or 5.25% (other services).

Taxable losses – are deductible from taxable income and may be carried forward (not back) by companies for three years.

Capital Income Tax

Dividends and royalties – 10%; Interest from bank deposits – 10%; Interest from Public Bonds or Central Bank titles – 10% (5% when maturity date is more than three years); Interest from bonds and shareholder loans – 10%; Capital gains on shares obtained by individuals which are not taxed in IRT or Business Income tax (see below) – 10%; Winnings from (un)lucky games, raffle tickets, lotteries or bets – 15%.

CAPITAL GAINS TAX

There is no separate capital gains tax. For corporate income tax purposes, worldwide capital gains are treated as an ordinary business income and taxed at the standard rate of 35%. Capital gains obtained by individuals are taxed as business income at 35% when realised as part of a business activity or can be taxed (at 10%) as capital income (see above).

VALUE ADDED TAX (VAT)

There is no VAT in Angola. There is a consumption tax (Imposto de Consumo) which is levied on the production and importation of goods, consumption of water and energy, and some services. Examples of services subject to Consumption Tax:

- Hotel services and related activities – 10%;
- Rental areas for conferences, expositions, publicity and other events – 10%;
- Lease of machines, as well as work on movable tangible property – 10%;
- Travel and tourism services promoted by travel agencies – 10%;
- Advisory and consultancy services – 5%;
- Other services listed in Consumption Tax Code – 5%.

Normal consumption tax rate is 10%, but there are special rates (2% to 30%).

TREATY NETWORK AND TAX REFORM

Angola has not signed any double tax treaties yet. Angola is implementing a tax reform, therefore it is expected that some changes in IRT and Business Income Tax will come into force in 2014.

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AUSTRIA

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 11,000	0
From 11,001 – 25,000	36.5
From 25,001 – 60,000	43.2
Over 60,000	50

The above tax rates basically apply to all income, except income from capital investments (dividend income, most savings income, etc) and income from the sale of properties (from 1 April 2012). The same rates apply to both residents and non-residents. However, non-residents have to add EUR 9,000 to their tax base (especially for income that has not been taxed by way of withholding tax).

Companies

Corporations are taxed on their gross income at the corporate level and are subject to Austrian corporate income tax at a flat rate of 25%. The same rates apply to both resident and non-resident companies. Resident corporations are obliged to pay annual minimum income tax even when making losses. Companies linked in a financial hierarchy can constitute a group for tax purposes under specified circumstances. The taxable profits or losses of the members of a group are added to those of the taxable company in the group. Losses of non-resident companies can generally be deducted (from 2015 up to 75% of the overall surplus of the resident group members). Goodwill amortisation of resident companies can not be deducted for acquisitions after 28 February 2014.

VALUE ADDED TAX (VAT)

VAT covers any entrepreneur who independently carries on a business in Austria. The standard VAT rate is 20%. A reduced rate of 10% is imposed on rents of land and buildings for residential purposes (including hotel accommodation), transport of passengers, etc. Zero rate (0%) is applied on certain items (i.e. exported goods and services).

CAPITAL GAINS TAX (CGT)

Individuals

In principle capital gains of residents from the disposal of capital investments (shares in a company, investment funds, bonds, futures etc.) and properties are taxed at 25%.

Companies

Holding companies are privileged under certain circumstances, interest is mostly deductible (special restrictions within a group of companies on interest rates for acquisitions and on interests/royalties paid to low-taxed companies). Capital gains for other companies are taxed at the normal corporate income tax rates.

LOSSES

In principle losses may be carried forward without time limit and can be set off against the income of the current year to a certain degree. Excess losses may be carried forward to subsequent tax years. Losses carried forward may be lost after a substantial change in ownership.

TREATY NETWORK

More than 90 countries.

WITHHOLDING TAX (non-residents)

Dividends: 25% (unless reduced/exempt under Parent-Subsidiary Directive or the relevant treaty)

Interest: 35% from 1 July 2011, particularly if paid to non-resident EU individuals, 25% from 1 January 2015 for others

Royalties: 20% (unless reduced/exempt under Interest-Royalty Directive or the relevant treaty)

Capital Gains: 25%

Disposal of property: 25%

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AZERBAIJAN

INCOME TAX RATES 2014

Individuals

Monthly Taxable Income (AZN)	Tax Rate
Up to 2,500	14%
Over 2,500	350 plus 25% of the amount exceeding 2,500

Companies

Taxable Income (AZN)	Tax Rate (%)
Taxable profit of resident and non-resident enterprises	20

Legal entities incorporated in Azerbaijan are normally treated as residents and are taxable on their worldwide income. Legal entities incorporated abroad are normally treated as non-residents and are taxable on income from sources in Azerbaijan, subject to the terms of any relevant double tax treaties. Taxable income shall be defined as gross income from economic activities less allowable deductions. Normal business expenses may be deducted in computing taxable income.

SIMPLIFIED TAX

Entities not registered for VAT, which have a volume of taxable operations for the previous 12 months of AZN 120000 and less, shall be entitled to be taxpayers under the simplified regime. The simplified tax is 4% and 2% of gross revenue for Baku (the capital) and the surrounding regions, respectively. Individual entrepreneurs that pay the simplified tax are exempt from profit tax, VAT, assets tax and personal income tax.

VALUE ADDED TAX (VAT)

Standard rate: 18%

VAT in Azerbaijan is similar to most European VAT systems, with tax levied on the supply of most goods and services, and the import of goods. VAT payers are entitled to recover the amount of VAT paid on purchases (input VAT) that exceeds the VAT received from their taxable supplies (output VAT).

Some transactions are exempt (including export of goods and provision of financial services) or zero-rated.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are treated as normal income and taxed at the ordinary personal tax rate.

Companies

Capital gains are taxed at the same rates as other profits.

LOSSES

The Tax Code provides the opportunity for taxpayers to carry forward the net operating loss. Losses can be carried forward for relief against future profits for up to five years without any limitation. Loss carryback is not permitted.

TREATY NETWORK

40 countries

WITHHOLDING TAX

Dividends: 10%

Interest: 10%

Royalties: 14%

Unless otherwise specified in effective double tax treaties, the above withholding tax rates normally apply to the income from sources in Azerbaijan payable to non-residents, provided that such income is not attributable to a non-resident's permanent establishment in Azerbaijan.

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BAHRAIN

INCOME TAX RATES 2014

Individuals

Not applicable.

Companies

No income tax is payable, except on profits derived from extraction of petrochemical products. Companies engaged in oil, gas and petroleum are taxed at a rate of 46%.

VALUE ADDED TAX (VAT)

Not applicable.

CAPITAL GAINS TAX (CGT)

Not applicable.

See note on sale of property below.

LOSSES

Not applicable.

TREATY NETWORK

Not applicable.

WITHHOLDING TAX

Dividends: 0%

Interest: 0%

OTHER LOCAL TAXES

Tourism Levy

Hotels pay 5% of turnover to Government as a Tourism Levy.

Municipal Taxes

Tenants (Business or Individuals) pay 10% of the monthly rent of rented property to Municipal Authorities as Municipal tax.

Social Insurance

Social Insurance contribution is payable by Employers to the General Organisation for Social Insurance as follows:

- 3% of total monthly salaries of foreign workers
- 12% of total monthly salaries of Bahraini workers

Property

Land registration tax is payable by the buyer of a property (land, buildings, houses, apartments, etc.) to the Survey and Land Registration Bureau. Land Registration Tax is calculated as a percentage of property sale price as follows:

- From BHD 1 to BHD 70,000: 1.5% (conditional discounted to 1.25%)
- From BHD 70,001 to BHD 120,000: 2% (conditional discounted to 1.8%)
- From BHD 120,001 and above: 3% (conditional discounted to 2.7%)

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BELGIUM

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 8,680	25
From 8,680.01 – 12,360	30
From 12,360.01 – 20,600	40
From 20,600.01 – 37,750	45
Over 37,750.01	50

Supplemented by a municipal surcharge (+/- 7% on federal taxes); some items of income are taxed at a separate rate.

Companies

Taxable Income (EUR)	Tax Rate (%)
Basic tax rate	33.99 (*)
Lowered tax rate (**):	
0 – 25,000	24.98 (*)
25,000.01 – 90,000	31.93 (*)
90,000.01 – 322,500	35.54 (*)

(*) includes 3% crisis tax

(**) Progressive lower rates: For companies with taxable income of up to EUR 322,500; lowered rates are not applicable for financial companies, or for companies whose shares are at least 50% owned by one or more companies. A separate 309% "secret commission tax" is due on expenses which are not reported on the individual beneficiary's tax records. Fairness tax of 5.15% on part of dividends distributed when company deducts notional interest deduction and/or prior losses.

VALUE ADDED TAX (VAT)

21% as standard rate on majority of sales of goods/services; reduced rates (6% / 12%) applicable to certain specific items (medicines, food, books, restaurant meals, ...).

CAPITAL GAINS TAX (CGT)

Individuals

No taxation if not engaged in business activities, with some exceptions, e.g. speculative transactions, sale of immovable property within five years from the acquisition.

Companies

Tax paid on capital gains at corporate tax rate. Rollover relief for gains on fixed assets held for more than five years and subject to reinvestment. Capital gains on shares are taxed separately at 0.412% if the dividends relating to such shares qualify for the participation exemption and the shares are held in full ownership during an uninterrupted period of one year (no deductions available, so minimum taxable basis). If the one year period is not met, a separate CGT of 25.75% is due.

LOSSES

Carry forward of losses is unlimited. No carry forward if there is a change of control / change in ownership which does not meet justified financial and economic needs.

TREATY NETWORK

90 countries.

WITHHOLDING TAX (for income paid or attributed as of 1 January 2013)

Dividends: 1) 25%

2) 10% on liquidation profits when closure of the liquidation before 1 October 2014, 25% when closure of the liquidation after 1 October 2014

3) 0% when distributed to companies:

- located in Belgium, in EU or in a country with whom Belgium has concluded a Tax Treaty which provides in exchange of information; and
- holding a participation of at least 10% during one year.

Interest: normal rate of 25%, with possible exemption for non-residents

Royalties: normal rate of 15%, with possible exemption for non-residents

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BULGARIA

INCOME TAX RATES 2014

Individuals

Taxable Income (BGN)	Tax Rate (%)
All income – flat rate	10

Companies

Taxable Income (BGN)	Tax Rate (%)
All income – flat rate	10

VALUE ADDED TAX (VAT)

Standard rate - 20%

Reduced rate - 9% for accommodation provided by hotels and similar establishments

Zero rate – export, international transport of goods and passengers, other supplies listed in the VAT Act.

CAPITAL GAINS TAX (CGT)

Individuals

Tax rate 10% - gains from immovable property, sale of financial assets.

Exempt capital gains – disposal of shares quoted in a regulated stock market in the EU/EEA, one residential property per year (for BG residents and EU/EEA nationals), up to two immovable properties per year (at least five years holding).

Companies

Tax rate 10% - gains from immovable property, sale of financial assets.

Gains or losses from the disposal of shares quoted in a regulated stock market in the EU/EEA are not taxable.

LOSSES

Loss set-off is possible. The losses can be carried forward for a maximum of five years.

TREATY NETWORK

69 countries.

WITHHOLDING TAX

Dividends: exempt for companies resident in Bulgaria, EU or EEA

5% elsewhere unless reduced with relevant treaty

Interest: 10% unless reduced with relevant treaty; 5% (following the provisions of EC Interest and Royalties Directive (2003/49/EC))

Royalties: 10% unless reduced with relevant treaty; 5% (following the provisions of EC Interest and Royalties Directive (2003/49/EC))

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CAMEROON

INCOME TAX RATES 2014

Individuals

Taxable Income (XAF)	Tax Rate (%)
Up to 2,000,000	11
From 2,000,001 to 3,000,000	16.5
From 3,000,001 to 5,000,000	27.5
Over 5,000,000	38.5

Companies

Taxable Income (XAF)	Tax Rate (%)
Regardless of income	Unique tax rate: 38.5

The income tax calculated shall not be less than 1.1 % of the turnover.

VALUE ADDED TAX (VAT)

VAT rates are as follows:

- general rate : 19.25 %
- zero rate : 0%

The zero rate shall apply to exports of taxable products.

CAPITAL GAINS TAX (CGT)

Individuals

The following capital gains are taxed as capital gains:

- Revenue from shares, stocks and similar income;
- income from bonds;
- income from assets, deposits, surety-bonds and current accounts;
- profits from the transfer of shares, bonds and other kinds of shares.

The tax rate applicable to the taxable income is 16.5%.

Companies

The following capital gains are taxed as capital gains:

- Revenue from shares, stocks and similar income;
- income from bonds;
- income from assets, deposits, surety-bonds and current accounts;
- profits from the transfer of shares, bonds and other kinds of shares.

The tax rate applicable to the taxable income is 16.5%.

LOSSES

Any loss sustained in a given year shall be considered a charge on the following year and deductible from profits made in that year. Should this profit be inadequate for the deduction to be made in its entirety, the loss still outstanding shall be carried forward to subsequent years up to the third year after the initial loss.

TREATY NETWORK

3 countries.

WITHHOLDING TAX

Dividends: 16.5%

Interest: 16.5%

Royalties: 7.5% when supplier is from France and 15% when from another country.

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CROATIA

INCOME TAX RATES 2014

Individuals

Taxable Income (HRK)	Tax Rate (%)
Up to 26,400	12
From 26,400 - 105,600	25
Over 105,600	40

Companies

Taxable Income (HRK)	Tax Rate (%)
Regardless of income	20

VALUE ADDED TAX (VAT)

25% on majority of goods and services; 13% on tourism and accommodation services, supply of food, non-alcoholic beverages, wine and beer in restaurants and similar objects, edible oils and fats, children's food, sugar, water except bottled water, concert tickets, periodic magazines and cultural as well as art magazines; 5% on certain items such as all daily newspapers, books and pharmaceuticals.

CAPITAL GAINS TAX (CGT)

There is no separate capital gains tax. Capital gains are included in the taxable base of the income of the resident. Gains on non-business assets of individuals are exempt. Capital gains of non-residents are exempt from taxation.

LOSSES

Both individual and company tax losses can be offset against income. Losses can be carried forward for five years. Losses cannot be carried back.

TREATY NETWORK

55 countries.

WITHHOLDING TAX

Dividends: 12%

Interest: 15%

Royalties: 15%

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CYPRUS

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 19,500	0
From 19,501 - 28,000	20
From 28,001 - 36,300	25
From 36,301 - 60,000	30
Over 60,000	35

Individuals Special Contribution Law

Gross monthly salary (EUR)	Employee (%)	Employer (%)
0 - 1,500	0	0
1,501 - 2,500	1.25	1.25*
2,501 - 3,500	1.5	1.5
3,501 and above	1.75	1.75

* Minimum tax EUR 10

Companies

Taxable Income (EUR)	Tax Rate (%)
All income	12.5

VALUE ADDED TAX (VAT)

19% on majority of sales of goods/services; reduced or zero rate on certain specific items.

CAPITAL GAINS TAX (CGT)

20% is imposed only on gains on disposal of immovable property located in Cyprus or on disposal of shares of non-listed companies with immovable property located in Cyprus.

LOSSES

Can be offset against other sources of income, and can be carried forward for five years. Losses of a company can be set off against profits of another company in the same group (group of Cyprus tax-resident companies). Worldwide losses can be set off against taxable income of the same year or carried forward.

TREATY NETWORK

50 countries.

WITHHOLDING TAX (non-residents)

Dividends: 0%

Interest: 0%

Royalties: 0% (10% on royalties used in Cyprus. 5% on film and TV royalties).

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CZECH REPUBLIC

INCOME TAX RATES 2014

Individuals

Taxable Income (CZK)	Tax Rate (%)
Up to 1,245,216	15
Over 1,245,216	22 ¹

¹ The 22% rate is applicable on employment income and entrepreneur income only.

The low tax rate is compensated by an increase in the tax base (the tax base includes the amount of social security and health insurance paid by the employer).

Companies

Category	Tax Rate (%)
Companies	19
Certain investment funds and mutual funds	5

A Czech limited partnership is treated like a company with regard to the proportional income of its limited partners. In a general partnership, the partner's pro rata income is subject to income tax at the individual's rate (if a partner is a corporation then the pro rata income is subject to corporate income tax at the corporate rate). The same approach is applied to the income of general partners of a limited partnership.

VALUE ADDED TAX (VAT)

The standard VAT rate is 21%. The reduced rate of 15% is applied on specific goods and services. The threshold for obligatory registration for VAT is a turnover exceeding CZK 1,000,000 (EUR 36,500) in the preceding 12 months.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are generally taxed at the rate of 15%. Disposal of real estate or shares is tax exempt provided that certain conditions are met.

Companies

Capital gains are taxed at the standard corporate tax rate. Certain capital gains are exempt provided conditions similar to Parent Subsidiary Directive conditions are met (10%, 12 months etc.).

LOSSES

Losses of individuals and companies may be carried forward for a limited period of five years provided general conditions are met (e.g. the 'same business' test). No tax loss carry back is available.

TREATY NETWORK

82 countries

WITHHOLDING TAX

Dividends: 35% or 15% (unless reduced/exempt under EC Directive or the relevant tax treaty)

Interest: 35% or 15% (unless reduced/exempt under EC Directive or the relevant tax treaty)

Royalties: 35% or 15%, 5% for finance lease (unless reduced/exempt under EC Directive or the relevant tax treaty)

In general, the rate of 35% applies to non-EU residents with no effective tax treaty or tax information exchange agreement. Otherwise, the standard 15% rate is applied.

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DENMARK

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 5,700	0
From 5,701 - 60,200	37.3
Over 60,200	52.2

In addition, a social contribution (a duty) of 8% is levied. However, this amount is deductible.

Companies

Taxable Income (EUR)	Tax Rate (%)
All taxable income	24.5

VALUE ADDED TAX (VAT)

25% unless specifically exempted (eg. insurance, banking and certain financial activities).

CAPITAL GAINS TAX (CGT)

Individuals

Generally included in the aggregate income subject to progressive rates ('income from capital' or 'other income' as the case may be). No indexation applies.

Companies

Tax paid at company tax rate, i.e. there is no separate CGT. Income and capital gains are generally pooled and taxed together.

LOSSES

Losses may be carried forward indefinitely. No carryback is permitted. For companies, the carry forward may be restricted upon changes in ownership or settlement with creditors.

TREATY NETWORK

80 countries.

WITHHOLDING TAX

Dividends: 27% or 0% when paid to a company, which owns at least 10%

Interest: 30% or 0% when paid to a company/individual

Royalties: 30%

Various domestic exemptions and relief under either EU Directive or tax treaties apply.

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EGYPT

INCOME TAX RATES 2014

Individuals (Resident & Non Resident)

Taxable Income (EGP)	Tax Rate (%)
Up to 5,000	0
From 5,001 – 30,000	10
From 30,001 – 45,000	15
From 45,001 – 250,000	20
Over 250,000	25

- Individuals and resident foreigners are taxed on their Egyptian sourced income
- Foreign branches get same local corporate tax treatment.

Companies

Taxable Income	Tax Rate (%)
Shall be subject to the tax at the rate of 25% of the annual net profit	25
The Suez Canal Authority, the Egyptian General Petroleum Company and the Central Bank of Egypt	40
Oil exploration and production companies	40.55

VALUE ADDED TAX (VAT) *Not applicable.*

Sales Tax: General Sales Tax (GST) shall be levied on locally manufactured goods or imported goods with rates varying from 5% to 10% on most goods except goods exempted by a special provision. Sales Tax Authority website: www.salestax.gov.eg (Arabic/English)

CAPITAL GAINS TAX (CGT) *Not applicable.*

LOSSES

Tax losses can be carried forward for a period of five years. However, no carry back losses is allowed.

TREATY NETWORK Over 51 countries.

ADDITION AND DEDUCTED TAX

Deducted Tax: Is applied to any “onshore” payments such as commissions, brokerage, purchases, supplies, contracting or services over EGP 300 paid to private sector entities in Egypt. In accordance with Article 59 of the Tax Law, the withholding tax rate applied is as follows:

Nature of Activity	Withholding Tax Rate %
Contracting and supplies	0.5
Services	2
Professional fees and commissions	5

Addition Tax: There are plans to apply similar taxes to certain commodities, products, activities and rental payments.

Royalties: Royalty Payments to non-resident entities or individuals are subject to tax at the rate of 20% without any deductions and subject to any preferential treaty allowed under any treaty for the Avoidance of Double Taxation.

WITHHOLDING TAXES AT SOURCE: (OFFSHORE PAYMENTS)

- A tax of 20% shall be applied to the amounts paid by the individual companies or any legal entities resident in Egypt to non-residents without any deductions. These amounts include interests, royalties (except those related to manufacturing), services, payments for athletic activity and for artists.

Stamp tax:

Stamp Tax Law 111 of 1980 is applied on several items, the most common items being:

- Bank facilities are a subject to annual stamp tax of 0.02%.
- Advertising costs are subject to stamp tax of 15%
- Insurance premiums are subject to stamp tax as follows:
 - Life, health and disability 1%
 - Other kinds of insurance 10%

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ESTONIA

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 1,728	0
Over 1,728	21

Companies

Taxable Income (EUR)	Tax Rate (%)
Profit distributed to owners	21

Corporate profit is taxed when it is distributed to shareholders. Income tax (21/79 of net payment) is payable from amounts paid out as dividends, on decrease of share capital, redemption of shares and on liquidation of a business of an amount which exceeds contributions made to share capital.

VALUE ADDED TAX (VAT)

Standard rate: 20%

Reduced rate of 9% is applicable for:

- books
- medical equipment and pharmaceutical goods
- periodical publications, excluding erotic pornographic and advertising
- accommodation fees

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are subject to 21% tax

Companies

For a resident company there is 0% tax.

A non-resident company is taxed at 21% on profits on sale of real estate and shares of Estonian companies if more than 50% of the company assets comprise real estate properties located in Estonia, and the non-resident company owns 10% or more of shares.

0% in other cases.

LOSSES

Estonian residents can deduct losses incurred on sales of securities from taxable capital gains in the following taxation periods and individual entrepreneurs can deduct losses from business income within the next seven years.

TREATY NETWORK

56 countries.

WITHHOLDING TAX (non-residents)

Dividends: 0%

Interest: 21% on gap between actually paid and market interest rates

Royalties: 10%

Or reduced/exempt under relevant treaty and royalty and interest payment directive.

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FINLAND

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax on lower (EUR)	Tax Rate (%)
From 16,300 – 24,300	8	6.5
From 24,300 – 39,700	528	17.5
From 39,700 – 71,400	3,223	21.5
From 71,400 – 100,000	10,038	29.75
Over 100,000	18,547	31.75

The above progressive rates apply to resident individuals' earned income, e.g. income from employment. In addition to the above progressive state tax rates, individuals are subject to municipal tax (16.5-22.5%) and church tax (1%-2.2%). Foreign highly qualified specialists assigned to Finland may be eligible to be taxed upon application at the flat rate of 35%.

Non-residents are subject to a tax-at-source of 35% but may apply to progressive taxation provided that certain conditions are met.

Companies

Taxable Income	Tax Rate (%)
All income	20

VALUE ADDED TAX (VAT)

The standard rate of VAT is 24%. Reduced rates (14%, 10% and 0%) are applied to specific items.

CAPITAL GAINS TAX (CGT)

Individuals

Capitals gains are taxed as capital income. The tax rate for capital income is 30% and for the income exceeding EUR 40,000 32%. Tax exemptions apply e.g. to a sale of a primary residence and minor capital gains, total sales prices not exceeding EUR 1,000 / year.

Companies

The tax rate on capital gains is 20%. Capital gains arising from the sale of shares classified as fixed assets of the selling company may be exempt from tax if certain conditions are met.

LOSSES

Losses may be carried forward for up to ten years against future profits, except for the losses on the sale of shares that would have been deemed as tax exempt (see above).

TREATY NETWORK

76 countries.

WITHHOLDING TAX (non-residents)

Dividends: 20% (unless reduced/exempt under EC Directive or the relevant tax treaty)

Interest: 20% (usually 0% in accordance with the Finnish tax legislation)

Royalties: 20% (unless reduced/exempt under EC Directive or the relevant tax treaty)

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FRANCE

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 6,011	0
From 6,011 – 11,991	5.50
From 11,991 – 26,631	14
From 26,631 – 71,397	30
From 71,397 – 151,200	41
Over 151,200	45

NB A surcharge ranging from 3% to 4% is imposed on income exceeding EUR 250,000. There is a 50% tax on companies operating in France that pay individual employees more than EUR 1 million in 2013 and/or in 2014.

Companies

Category	Tax Rate (%)
Up to 38,120	15
Over 38,120	33.33 ⁽¹⁾⁽²⁾⁽³⁾

(1) Social contribution of 3.3% is payable for companies with a turnover of over EUR 7.6m together with a calculated income tax at the rate of 33.33% exceeding EUR 763,000.

(2) A surtax of 10.7% is calculated on the calculated income tax at the rate of 33.33% for companies with a turnover of over EUR 250m.

(3) A dividend tax of 3% is payable for large companies paying a dividend.

VALUE ADDED TAX (VAT)

Standard rate: 20%

Reduced rates: restaurants, transport, renovation/improvement works and certain medical drugs 10%; food, water and non alcoholic beverages, books, special equipment for the disabled and school canteens 5.5%; medical drugs, press 2.10%.

SOCIAL TAXES

All income and capital receipts are subject to social taxes:

Salary income: 8%; Capital gains and other capital revenues: 15.5%

CAPITAL GAINS TAX (CGT)

Individuals

Capital Gains on Real Estate

Taxable Income (EUR)	Tax Rate (%)
Entire	15.5 (social) + 19 (tax) = 34.5
Over 38,120	33.33 ⁽¹⁾⁽²⁾⁽³⁾

Capital Gains on shares (general scheme)

As from 1 January 2014, capital gains on shares are subject to the marginal rates applicable for income tax plus the social taxes of 15.5%.

Year of sale	0-2 Years	2-8 Years	>8 Years
Relief on gain	0	50%	65%
Marginal income tax rate (PIT rate 45%)	58.21%	35.71%	28.95%

NB A surcharge ranging from 3% to 4% is imposed on gains exceeding EUR 250,000

Companies

88% exempted if holding of shares lasts for at least 24 months (100% exempted in a tax consolidation group). Special rules for real estate entities.

LOSSES

French tax losses can be carried forward within the limit of EUR 1m plus 50% of the fraction of taxable income, if any, exceeding this amount. Losses can be carried back one year and are limited to EUR 1m. The corresponding CIT can be deducted from CIT to pay within the following five years. After this period, the corresponding CIT is reimbursed.

TREATY NETWORK: 124 countries.

WITHHOLDING TAX (NON-RESIDENTS)

Dividends: Maximum rate at 30%, reduced rates applicable (European Union) according to international conventions between the countries.

Interest: Maximum rate at 21%, reduced rates applicable (European Union) according to international conventions between the countries.

Royalties: Tax rate between 0% - 33.33% according to international conventions between the countries.

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GEORGIA

INCOME TAX RATES 2014

Individuals

Category	Tax Rate (%)
Income of Micro Business	Exempt
Income of Small Business	3 or 5
Other Income	20

Status of Micro Business can be assigned to an individual who conducts economic activities independently without hiring employees; receives annual gross income up to GEL 30 000; maintains inventory balance up to GEL 45 000; undertakes activities that are not banned for Micro Business as defined by the Government. (1USD=1.65GEL). Status of Small Business can be assigned to an individual entrepreneur who receives annual gross income from economic activities up to GEL 100 000; maintains an inventory balance up to GEL 150 000; is not a registered VAT payer; undertakes activities that are not banned for Small Business as defined by the Government; uses a cash machine and has not been penalised for not using the latter more than 3 times during a calendar year.

Companies

Taxable Income (GEL)	Tax Rate (%)
All income	15

VALUE ADDED TAX (VAT)

VAT rate is 18% for all taxable transactions and imports unless a specific provision allows an exemption. Transactions exempted include the following: Conduct of financial operations and/or supply of financial services; Import and/or supply of goods and services under the Law of Georgia on Oil and Gas; Supply of educational and medical services and other.

CAPITAL GAINS TAX (CGT)

Not applicable.

LOSSES

Losses can be carried forward for up to five years against future profits. Further, a taxpayer can elect a 10-year loss carry forward period. In the latter case, the statute of limitation is 11 years. A 10-year carry forward period can still be changed to a 5-year carry forward period when the losses carried forward are used up. No carry back is allowed.

TREATY NETWORK

45 countries.

WITHHOLDING TAX

Dividends: 5%

Interest: 5%

Royalties: paid to resident individuals 20%

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GERMANY

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Standard income tax rate (%)	Solidarity surcharge (%)	Total tax rate (%)
Up to 8,354	0 (tax free allowance)	0	0
From 8,355 - 52,881	14 to 42	0.77 - 2.31	14.77 - 44.31
From 52,882 - 250,730	42	2.31	44.31
Over 250,730	45	2.475	47.475

Interest and dividend income is flat taxed at a 26.375% rate (25% +1.375% solidarity surcharge)

Companies (nominal corporate tax rate 15% plus Solidarity Surcharge)

Corporations	Corporation tax rate (%) (Solidarity surcharge incl.)	Trade tax rate (%)	Total (%)
Multiplier 200	15.83	7	22.83
Multiplier 400 (average)	15.83	14	29.83
Multiplier 520	15.83	18.2	34.03

The trade tax multiplier varies from 200-520% depending on where the company is located. Partnerships such as GbR or KG are not subject to corporation tax (but may be subject to trade tax). Instead the company's income is assigned to the shareholders.

VALUE ADDED TAX (VAT)

Regular VAT rate	19%
Reduced VAT rate (eg. food, newspaper, local transportation)	7%
Some services such as banking services or non-profit making work	0%

CAPITAL GAINS TAX (CGT)

Individuals

Shares in corporation	Shares in partnerships	Real Estate
Flat taxation at 26.37% (25% + 1.375% Solidarity Surcharge), exemptions for shareholdings of more than 1%	Taxable income but some allowances	After ten years tax-free, otherwise taxable income

Companies

Shares in corporation	Shares in partnerships	Real Estate
Profit on disposal of shares is generally 95% tax exempt	Taxable income	Taxable income

LOSSES

Tax losses can be offset against other income in the current year, or carried back and offset against income of the former year to a certain extent. They can also be carried forward indefinitely and offset against income of upcoming years to a certain extent.

TREATY NETWORK

95 countries.

WITHHOLDING TAX

Income	Tax rate (%)	Solidarity surcharge (%)	Total tax rate (%)
Dividends	25	1.375	26.375
Interest	25	1.375	26.375
Royalties (only non-resident tax payers)	15	0.825	15.825

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GREECE

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 25,000	22
From 25,001 - 42,000	32
Over 42,000	42

Companies

Type	Tax Rate (%)
S.A., LTD, P.C.	26
G.P., L.P., J.V. (with double entry book keeping)	26
G.P., L.P., J.V. (without double entry book keeping)	26 up to 50,000 33 over 50,000

VALUE ADDED TAX (VAT)

The standard rate is 23%. A reduced rate of 13% is applied on specific goods and services and 6.5% is applied on hotels, books and specific other items.

CAPITAL GAINS TAX (CGT)

Individuals

Disposal of shares listed on a Stock Exchange (SE): 0.2% on transaction value
Disposal of shares whether listed or not listed on a Stock Exchange: 15% of capital gains.

Companies

Disposal of shares whether listed or not listed on a Stock Exchange: For companies capital gains are subject to normal income tax.

LOSSES

Companies can carry losses forward for a maximum of five taxable periods following the year in which the losses were incurred. Losses incurred abroad in the current tax year can be offset by profit gained abroad for the same tax year, provided that they derive from EU member states or EEA given the convention for avoidance of Double Taxation between the Hellenic Republic and the EU countries, which Greece has signed and is in force.

TREATY NETWORK

58 countries

WITHHOLDING TAX

Dividends: 10%. None to EU shareholders subject to certain conditions.

Interest: 15%. Special conditions apply for interest from bonds.

Royalties: 20% for royalties paid to foreign companies. 0% for domestic companies.

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HUNGARY

INCOME TAX RATES 2014

Individuals

Taxable Income (HUF)	Tax Rate (%)
All income	16

The above flat tax rate applies to all kinds of income of individuals.

Companies

Taxable Income (HUF)	Tax Rate (%)
Up to 500 million	10
Over 500 million	19

Dividend income of companies is not subject to corporate income tax. Interest income and gains of companies arising from the selling of shares in a company are taxed at 10/19% corporate income tax.

VALUE ADDED TAX (VAT)

VAT applies to any entrepreneur who carries on business in Hungary. The standard VAT rate is 27%. A flat rate of 18% is imposed on milk, corn, flour and the products from these. An 18% flat rate is imposed on central heating and accommodation. A flat rate of 5% is imposed on medicines, books etc. Zero rate (0%) is applied to certain specific items (e.g. exported goods and services).

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are subject to 16% tax.

Companies

There is no separate CGT for companies. Capital gains are included in the corporate income tax base and taxed at the regular rates.

Special provisions for disclosed investments: The acquisition of 10 % or more of the shares of a Hungarian or foreign company may be disclosed to fiscal authorities within 75 days. Capital gains/losses on the sale of disclosed investments one or more years after date of acquisition are tax neutral (neither taxable nor tax deductible).

LOSSES

In case of transformations and change in the major shareholder certain restrictions have to be considered regarding carrying forward losses.

TREATY NETWORK

More than 60 countries.

WITHHOLDING TAX

Dividends: individuals: 16% (unless reduced/exempt by relevant treaty)

companies: none

Interest: individuals: 16% (unless reduced/exempt by relevant treaty)

companies: none

Royalties: individuals: 16% - tax base is the amount of royalties (unless reduced/exempt by relevant treaty)

companies: none

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IRELAND, REPUBLIC OF

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Income Tax Rate (%)	Universal Social Charge (%)	Total tax rate (%)
Up to 10,036	20	2	22
From 10,037 to 16,016	20	4	24
From 16,017 to 32,800	20	7	27
Over 32,800	41	7	48

The rates above include both income tax rates and the universal social charge (USC). Individuals are entitled to a tax credit of EUR 1,650 against their income tax liability and additional credits may be available to reduce the liability further. Self employed individuals are liable to an additional surcharge of 3% on income over EUR 100,000.

Companies

Category	Tax Rate (%)
Trading income	12.5
Non-trading income	25

VALUE ADDED TAX (VAT)

The standard rate of VAT is 23%. A reduced rate of 13.5% applies to certain fuels, property, building services, repair, cleaning and maintenance services, and certain photographic supplies. A second reduced rate of 9% rate applies to restaurant and catering services; hotel and holiday accommodation; admissions to cinemas, theatres, etc. the use of sporting facilities; hairdressing services; printed matter such as brochures, maps, programmes, leaflets, catalogues and newspapers. A zero rating applies to exported goods, fertilisers, books, food, oral medicine, children's clothing and footwear.

CAPITAL GAINS TAX (CGT)

Individuals and Companies

The tax rate applicable to capital gains is 33%. Indexation relief is available for the period of ownership of the asset but only up to 31 December 2002. Non-residents are subject to Irish capital gains tax on the disposal of land assets situated in Ireland.

LOSSES

Individuals

Individual tax losses from trading activities can be offset against other income in the current year. Losses can be carried forward indefinitely and offset against similar profits from the same source.

Companies

Company tax losses can be offset against other income in the current year, carried back and offset against income of the previous year or carried forward indefinitely and offset against similar profits from the same source.

TREATY NETWORK

68 in effect (70 signed).

WITHHOLDING TAX

Dividends: 20%

Interest: 20%

Royalties: 20%

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ISLE OF MAN

INCOME TAX RATES 2014

Individuals

Taxable Income (GBP)	Tax Rate (%)
Up to 9,500	0 (tax-free allowance)
From 9,501 - 20,000	10
From 20,000	20

Companies

Category	Tax Rate (%)
Companies with banking business; Isle of Man land and property income; or retail profits over GBP500,000	10
Companies may opt to pay tax	10
All other companies	0

VALUE ADDED TAX (VAT)

20% on majority of sales of goods and services; reduced 5% or 0% rate on certain items.

CAPITAL GAINS TAX (CGT)

Individuals

Not applicable.

Companies

Not applicable.

LOSSES

Unlimited carry forward of unrelieved trading loss against subsequent profits from the same trade, together with terminal loss relief provisions and relief against other income for individuals.

TREATY NETWORK

Full double tax agreements with 9 countries; information exchange agreements with 25 countries.

WITHHOLDING TAX

Dividends: 0%

Interest: 0%

Royalties: 0%

Rent: 20% for payments to an individual or 10% for payments to a company.

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ISRAEL

INCOME TAX RATES 2014

Individuals

Taxable Income (ILS)	Tax Rate (%)
Up to 63,360	10
From 63,360 to 108,120	14
From 108,120 to 168,000	21
From 168,000 to 240,000	31
From 240,000 to 501,960	34
From 501,960 to 811,560	48
Over 811,560	50

Companies

Taxable Income (ILS)	Tax Rate (%)
All taxable income	26.5

VALUE ADDED TAX (VAT)

18% tax rate for most goods and services. Zero tax rate for exporting (under certain conditions), for fruits and vegetables, and other specific items. Free Tax Zone around the city of Eilat.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains derived by individuals are subject to a 25% tax rate. A "Major Shareholder" who holds 10% or more of a company's securities, is subject to a 30% tax rate.

A gain from the disposal of real estate in Israel is taxed at 25%.

Distribution of land betterment among the various periods will be implemented on a linear basis.

Companies

Capital gains are taxed at the standard corporate tax rate. Upon disposal of securities, the sum equal to the target company's distributable profits is subject under certain circumstances to reduced tax rate.

LOSSES

During the tax year, business losses can be offset against all sources of income. Losses may be carried forward indefinitely, but they may be offset only against business income.

Capital losses can be offset against capital gain, and under certain provisions may also be offset against interest and dividend. Capital losses can be carried forward indefinitely.

TREATY NETWORK

50 countries.

WITHHOLDING TAX

Dividends: 25% or 30% if the recipient holds at least 10% of the controlling means of the payer's securities.

Interest: 25% or 30% if the recipient holds at least 10% of the controlling means of the payers securities.

Royalties: 25% for foreign residents. Normal rate for Israeli residents.

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ITALY

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 15,000	23
From 15,001 – 28,000	27
From 28,001 – 55,000	38
From 55,001 – 75,000	41
Over 75,000	43

Companies

27.5% standard corporate income tax rate for resident companies (IRES) with an increase for certain kinds of company (for example oil companies).

A local tax (IRAP) at a rate ranging from 3.9% to 4.97% applies to a taxable basis approximately coinciding with the value of production; employment costs and interest expenses are generally not deductible; certain reduced or increased rates apply on a regional basis and/or depending on the kind of activity.

Non-residents

Non-resident companies and individuals: same income tax rates as residents.

VALUE ADDED TAX (VAT)

22% standard rate; reduced rates (10% or 4%) apply to certain transactions (e.g. food products); 0% rate applies on certain transactions (e.g. medical services).

CAPITAL GAINS TAX (CGT)

Individuals

20% tax applies to capital gains on financial instruments such as securities, mutual funds, currencies and non-qualifying shareholdings. For majority shareholdings a minimum of 11.44% and a maximum of 21.38% applies.

Companies

Residents: 27.5% ordinary rate. Sales qualifying for participation exemption (e.g. 12 months holding period in non black listed resident company and the like) are 95% tax exempt (effective tax rate 1.375%).

Non-residents: 13.7% effective rate on transfer of shareholdings.

LOSSES

Tax losses can be carried forward indefinitely up to a limit of 80% of the future taxable income; no carry back is allowed. Tax losses incurred in the first three years of activity can be carried forward indefinitely and without any limit of amount, subject to certain conditions.

TREATY NETWORK

91 countries.

WITHHOLDING TAX

Dividends: Residents and EU residents qualifying for Parent/Subsidiary Directive: 0%; other European Economic Area residents: 1.375%; other foreign residents: 20%

Interest: Residents and EU resident qualifying shareholders: 0%; other non-residents: 20%; tax haven residents: 20%

Royalties: Residents and EU resident qualifying shareholders: 0%; other non-residents: 22.5%; tax haven residents: 22.5%

Above withholding tax rates can be reduced on the basis of applicable tax treaties.

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JORDAN

INCOME TAX RATES 2014

Individuals

Taxable Income (JOD)	Tax Rate (%)
Up to 12,000	0
From 12,001 - 24,000	7
Over 24,000	14

* Additional JOD 12,000 at a 0% tax are added for a person with dependents

Companies

Sector	Tax Rate (%)
Insurance, main communication companies, financial intermediation companies, financial companies, lease businesses.	24
Banks	30
Other	14

VALUE ADDED TAX (VAT)

- Jordan operates a sales tax which is similar to VAT.
- Sales tax ranges from: exempted goods and services, zero rated goods and services, goods and services subject to 4% tax, goods and services subject to special tax depending on the type of goods (i.e. alcohol, cigarettes), goods and services subject to the general sales tax at the rate of 16%, necessity goods and services subject to the general sales tax at the rate of 0% or exempted.
- Finally there is an 8% sales tax for hotel accommodation and home use internet.
- Certain entities are exempt from tax or zero rated tax by Prime Ministerial decree.

CAPITAL GAINS TAX (CGT)

- Capital gains realised by shareholders when selling their share in a company are not subject to income tax (excluding banks and financial companies).
- Capital gains realised by a company when selling immovable property are not subject to income tax (excluding other than profits from assets subject to depreciation which is taxable), but the losses from selling immovable assets are not deductible.

LOSSES

- Losses from one source (inside Jordan or outside Jordan) of taxable income can be offset against total income in the same year. If losses exceed total income they can be carried forward indefinitely.
- No offset between losses from outside Jordan and profit from inside Jordan (vice versa)
- If any income is not taxable the losses related to that income is not accepted.

TREATY NETWORK

32 countries.

WITHHOLDING TAX

Dividends:	0% (except profit of mutual investment funds of banks and financial companies)
Interest:	5% (paid by a resident bank directly or indirectly to)
Royalties:	7%
Imported Services:	7% (paid by a resident directly or indirectly to a non-resident person)
Prizes:	10%
Income of Services:	5% (paid by a legal resident person to a resident person)
Income of Rent:	5% (paid by a legal resident person to a resident person)

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KAZAKHSTAN

INCOME TAX RATES 2014

Individuals

Taxable Income (KZT)	Tax Rate (%)
Flat rate	10

Companies

Taxable Income (KZT)	Tax Rate (%)
Flat rate	20

VALUE ADDED TAX (VAT)

12% - on the amount of taxable sales of goods and services and taxable imports;
0% - for exporting goods, international transport, for sales of home-produced goods for taxpayers under specific subsoil use contracts.

Certain transactions are VAT exempt. VAT tax period is a calendar quarter.

CAPITAL GAINS TAX (CGT)

Individuals

Taxed at regular PIT rate

Companies

Taxed at regular CIT rate

LOSSES

Losses arising from tax periods starting after 1 January 2009 are deductible up to the total amount of the loss carried forward within a period of ten years after the period the loss arose in.

TREATY NETWORK

There are in total 45 Double Taxation Treaties concluded between Kazakhstan and other states. The convention with Saudia Arabia has not been ratified yet.

WITHHOLDING TAX

Dividends: 15% unless otherwise stated by a ratified Double Taxation Treaty

Interest: 15% unless otherwise stated by a ratified Double Taxation Treaty

Royalties: 15% unless otherwise stated by a ratified Double Taxation Treaty

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KENYA

INCOME TAX RATES 2014

Individuals

Taxable Income (KES)	Tax Rate (%)
Up to 121,968	10
From 121,969 - 236,880	15
From 236,881 - 351,792	20
From 351,793 - 466,704	25
Over 466,704	30

Companies

Category	Tax Rate (%)
Resident Companies	30
Non-resident Companies	37.5
Export Processing Zone Enterprises – First ten years	No Tax
Export Processing Zone Enterprises – Next ten years	25
Newly listed companies subject to conditions	20, 25 or 27

VALUE ADDED TAX (VAT)

Standard rate of 16%. No special rate on imported electrical energy and fuel oils as this has been removed. Zero-rate applied on exports and on specified goods and services. Certain goods and services exempt from VAT including raw farm produce, specified services provided by public organisations, specified financial and insurance services.

CAPITAL GAINS TAX (CGT)

Individuals - Tax exempt. Suspended in 1985.

Companies - Suspended in 1985.

LOSSES

Tax losses may be carried forward for offset against future taxable profits for a period of up to four years. Concession may be obtained to extend the period beyond four years upon application where circumstances warrant.

TREATY NETWORK

8 countries.

Resident in	Dividends (%)	Interest (%)	Royalty/Consultancy (%)
Canada	10	15	15
Denmark	10	20	20
Germany	10	15	15
India	10	15	20(c)
Norway	10	20	20
Sweden	10	15	20
United Kingdom	10	15	15(a)
Zambia	0(c)	15	25

WITHHOLDING TAX

	Resident (%)	Non-resident (%)
Dividends:	5 (exempt for shareholding >12.5)	10 (5 for citizens of EAC)
Interest:	10, 20 or 25 (special rates) 15 (standard)	15 Government bearer bonds 25 Other bearer instruments
Royalties:	5	20
Consultancy:	5	20 (15 for citizens of EAC)
Pension:	5	5
Lease Rentals:	0	15-30

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KUWAIT

INCOME TAX RATES 2014

Individuals

Taxable Income (KWD)	Tax Rate (%)
All income	0

Companies

Category	Tax Rate (%)
Foreign corporate bodies carrying on a trade, business or service	15
All other companies	0

The following are chargeable to tax:

- Profits of a foreign company operating within or outside Kuwait to the extent that they are connected with, or related to its operations within Kuwait.
- The proportion of the profit of a Kuwaiti joint venture attributable to foreign corporate partners.
- The proportion of the profit of a Kuwaiti corporate entity attributable to foreign corporate shareholders.

There is no taxation for local companies.

VALUE ADDED TAX (VAT)

There is no VAT.

CAPITAL GAINS TAX (CGT)

Individuals

There is no CGT.

Companies

Foreign Companies only – Tax rate 15%

LOSSES

Losses can be carried forward for three years and offset against profits.

TREATY NETWORK

Certain Countries

WITHHOLDING TAX

A system of 'holdback' of 5% of the contract value / payments is followed except for dividends and royalties. This is payable when tax assessment is done and a tax clearance certificate is furnished. Investment companies and banks that manage portfolios and funds are required to deduct 15% of dividends and profits of foreign companies and deposit them with the tax department.

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LATVIA

INCOME TAX RATES 2014

Individuals

Category	Tax Rate (%)
General flat rate	24
Capital gains (shares, real estate)	15
Dividends, interest	10

Companies

Category	Tax Rate (%)
All income	15

VALUE ADDED TAX (VAT)

Standard rate – 21%. Reduced rate – 12%.

CAPITAL GAINS TAX (CGT)

Individuals

See above for individuals.

Companies

For companies capital gains are treated as an ordinary income subject to the Corporate Income Tax.

LOSSES

Latvia allows carry forward of losses arising before 2008 for up to eight years. Tax losses from the year 2008 and later will be carried forward without time limitation. Transfer of losses within a group is limited.

TREATY NETWORK

Over 50 countries.

WITHHOLDING TAX

Dividends: 0% – mostly to EU, EEA and Latvian residents; in other cases – 10%.

Interest: 0% – on payments to unrelated parties; for related parties – 10% (5% for EU and EEA companies).

Royalties: 15% – on literature or art; 5% – in other cases.

Compensation to non-resident for Latvian located property use: 5%-15%

Non-residents income from Latvian real estate sales: 2% - 15%

PROPERTY TAX

0.2% – 3% from property Cadastral value

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LEBANON

INCOME TAX RATES 2014

Individuals

Taxable Income (LBP)	Tax Rate (%)
Up to 6,000,000	2
From 6,000,001 – 15,000,000	4
From 15,000,001 – 30,000,000	7
From 30,000,001 – 60,000,000	11
From 60,000,001 – 120,000,000	15
Over 120,000,000	20

Lump sum wages = 3% (Lump sum wages are the amounts paid to perform temporary quantitative work based on pieces or quantity)

Companies

The profits of stock companies (Joint Stock companies, Limited Liability companies, Partnerships limited by shares) are subject to tax at 15%. Rates of taxation on the profits of commercial, industrial and non-commercial professions (Individual Professions, Partnership Companies, etc) are as follows:

Taxable Income (LBP)	Tax Rate (%)
Up to 9,000,000	4
From 9,000,001 – 24,000,000	7
From 24,000,001 – 54,000,000	12
From 54,000,001 – 104,000,000	16
Over 104,000,000	21

Offshore Companies are exempt from income tax on their profits and are instead assessed to a flat annual tax that amounts to LBP 1,000,000 regardless of the amount of profit.

Holding Companies are exempt from income tax on their profits. They are subject to an annual tax computed on its total share capital plus reserves as follows:

6% Up to LBP 50 Million.

4% Between LBP 50 Million and up to LBP 80 Million.

2% Above LBP 80 Million.

Providing that the total tax amount does not exceed LBP 5 Million.

The following are not subject to Income tax:

Hospitals, orphanages, asylums, consumers' cooperative companies, trade unions, agricultural cooperatives of a non-commercial nature and some kinds of industrial establishments.

VALUE ADDED TAX (VAT)

A standard rate of 10% applies to the supply of goods and services. There are however many goods and services that are exempt from VAT.

CAPITAL GAINS TAX (CGT)

Re-evaluations of fixed assets are subject to tax at 10%. Profits from the disposal of fixed assets are subject to tax at 10%.

LOSSES

Net operating losses can be carried forward for up to three years.

TREATY NETWORK

More than 30 countries.

WITHHOLDING TAX

Dividends: 10% (Reduced to 5% on specific conditions)

Interest: 5 -10%

Royalties: Royalties for non-residents are subject to a 7.5% withholding tax for services. This rate is reduced to 2.25% for business activities.

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LIECHTENSTEIN

INCOME TAX RATES 2014

Individuals

Taxable Income (CHF)	Tax Rate (%)
Up to 15,000	0
From 15,001 to 20,000	0 to 1
From 20,001 to 40,000	1 to 5
From 40,001 to 70,000	5 to 8
From 70,001 to 100,000	8 to 10
From 100,001 to 130,000	10 to 12
From 130,001 to 160,000	12 to 13
From 160,001 to 200,000	13 to 15
Over 200,000	15 to 24

Companies

Taxable Income (CHF)	Tax Rate
All income	12.5

VALUE ADDED TAX (VAT)

8% calculated on the price of goods and services.

2.5% applies to a specific range of goods such as food, medicine, newspapers, etc.

3.8% on hotel accommodation.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are exempt from taxation except gains on domestic real estate. Capital gains on domestic real estate are taxed with the rates applicable for individuals as mentioned above.

Companies

Capital gains are exempt from taxation except gains on domestic real estate. Capital gains on domestic real estate are taxed with the rates applicable for individuals as mentioned above.

LOSSES

Losses can be compensated in full with no time limit (perpetual loss carried forward).

TREATY NETWORK

27 countries

WITHHOLDING TAX

Dividends: Not applicable

Interest: Not applicable

Royalties: Not applicable

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LITHUANIA

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 165, if monthly income doesn't exceed 290	0
Over 165 (according to the formula)	15

Companies

Taxable Income (EUR)	Tax Rate (%)
On all profit for commercial organisations	15
On all profit for small-sized organisations	5
Over 7,240 for non-profit organisations	15

VALUE ADDED TAX (VAT)

Standard rate 21%.

9% on heating for residential premises

5% on pharmaceuticals

CAPITAL GAINS TAX (CGT)

■ General income tax rate 15%

■ 0% if annual income from shares doesn't exceed EUR 2,896, other physical non-registered assets – EUR 2,320.

LOSSES

Losses, except for the losses incurred on trading in securities and/or derivative financial instruments, may be carried forward for an unlimited period of time.

Losses incurred on trading in securities and/or derivative financial instruments can be carried forward for no more than five consecutive tax periods.

TREATY NETWORK

42 countries.

WITHHOLDING TAX

Dividends: Individuals – 15%

Legal entities – 15% and 0% for holders of 10% and more voting shares during uninterrupted period of at least 12 months before distribution of dividends

Interest: 10% paid for foreign companies only

Royalties: 10% paid for foreign companies only

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LUXEMBOURG

INCOME TAX RATES 2014

Individuals

Income tax rates are progressive (from 0% up to 40%). The first EUR 11,265 are tax free. Three tax classes (1, 1a, 2) are available depending upon civil status. The marginal tax rate applies to income exceeding EUR 100,000 for class 1. An unemployment fund contribution comes in addition (7% for income of less than EUR 150,000 and 9% for income exceeding this amount). The marginal aggregate tax income rate amounts to 43.60%. Under certain conditions expatriates may deduct relocation expenses of up to EUR 50,000 or 30% of their annual salary.

Companies

The global corporate tax (of 29.22% in Luxembourg-City) consists of:

- Corporate Income Tax (CIT): 22.47% (including the 7% unemployment fund contribution)
- Municipal Business Tax (MBT): The rate ranges from 6% up to 12% depending on the municipality (6.75% for Luxembourg-City).

Exemptions are available e.g. in relation to substantial shareholdings, income derived from intellectual property (IP). Various tax credits and incentives also exist. A minimum CIT of EUR 3,210 is due for entities holding 90% of "financial assets".

All other companies subject to CIT are liable to a minimum flat tax varying between EUR 535 and EUR 21,400 depending on the company's balance sheet.

A Net Wealth Tax (NWT) of 0.50% of the adjusted net asset value for which certain exemptions are available, is also due. Under certain conditions, profits and losses of Luxembourg group companies may be compensated (tax consolidation).

VALUE ADDED TAX (VAT)

Luxembourg applies the lowest VAT rates in the European Union. Standard rate: 15%. Parking rate: 12% (unleaded petrol, solid combustibles, fuel, wines, custody and management of securities). Reduced rate: 6% (gas, electricity, plants). Super reduced rate: 3% (food, pharmaceutical products, public transport, hotel and restaurant services, books, water). Reduced VAT rate (or VAT refund) may apply on the acquisition/renovation of construction made by individuals.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains may benefit from reduced tax rates and exemptions. An analysis on a case-by-case basis is however required.

Companies

Normal global corporate tax rate applies; exemptions (e.g. on sale of substantial holdings) and roll over reliefs are available in some cases.

LOSSES

Losses on business, agricultural and independent activities can be carried forward indefinitely.

TREATY NETWORK

68 countries

WITHHOLDING TAX

Dividends: 15%; exemptions available in relation to income derived by companies from substantial shareholdings

Interest: Individuals: 10% (under certain conditions for resident individuals), 35% if European Savings Directive applies for non-resident individuals
Corporate: NIL

Royalties: Abolished.

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MALTA

INCOME TAX RATES 2014

Individuals - Residents

Taxable Income (EUR) single/married couple (separate computation)	Taxable Income (EUR) parent rates (separate computation)	Taxable income (EUR) married couple (joint computation)	Tax Rate (%)
Up to 8,500	Up to 9,800	Up to 11,900	0
From 8,501 - 14,500	From 9,801 - 15,800	From 11,901 - 21,200	15
From 14,501 - 19,500	From 15,801 - 21,200	From 21,201 - 28,700	25
From 19,501 - 60,000	From 21,201 - 60,000	From 28,701 - 60,000	29
Over 60,001	Over 60,001	Over 60,001	35

Individuals – Non-Residents (Married or Single)

Taxable Income (EUR)	Tax Rate (%)
Up to 700	0
From 701 - 3,100	20
From 3,101 - 7,800	30
Over 7,800	35

Companies

Taxable Income (EUR)	Tax Rate (%)
All income	35

Company tax is fully credited to shareholders on distribution of profits.

VALUE ADDED TAX (VAT)

18% on majority of goods and services; reduced rate on certain specific items.

CAPITAL GAINS TAX (CGT)

Immovable property

The tax rate applicable to transfers of immovable property is 12% (Final Withholding Tax) on the transfer value. In certain circumstances, the transferor may opt to be taxed at standard rates on the gain made on the transfer.

Securities

Standard rates apply in the case of resident persons. Capital gains on transfers of certain securities derived by non-resident persons are exempt from tax.

LOSSES

Trading losses can be offset against any other income in the current year. Trading losses can be carried forward indefinitely and offset against any other income.

Capital losses can be offset against capital gains in the current year. Capital losses can be carried forward indefinitely and offset against future capital gains.

TREATY NETWORK

64 countries.

WITHHOLDING TAX

Dividends: Non-residents - Nil / Residents - 15% on distribution of untaxed income

Interest: Non-residents - Nil / Residents - 15% Final Withholding Tax

Royalties: Nil

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MAURITIUS

INCOME TAX RATES 2014

Individuals

Taxable Income	Tax Rate (%)
Basic tax rate	15

Companies

Type of company	Tax Rate (%)
(i) Domestic company (*)	15
(ii) Global Business Company (category 1)	3
(iii) Global Business Company (category 2)	0
(iv) Banks	5

(*) In addition, domestic companies are required to set up a Corporate Social Responsibility (CSR) fund equal to 2% of chargeable income.

(i) An alternative minimum tax equal to the lower of 7.5% of accounting profits or 10% of dividends declared for the relevant year is imposed to domestic companies.

(ii) A company holding a category 1 Global Business License (GBC 1 company) is entitled to claim a credit for the greater of the actual foreign tax incurred or a deemed foreign tax credit equivalent to 80% of the Mauritius tax payable, giving a maximum effective tax rate of 3%.

(iii) A company holding a category 2 Global Business License (GBC 2 company) is not considered to be resident in Mauritius for tax purposes and as such does not have access to the tax treaty benefits.

(iv) Tax is calculated on book profits. Not applicable if book profit does not exceed 5% of operating income.

VALUE ADDED TAX (VAT)

Standard rate 15%.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are exempt from taxation.

Companies

Capital gains are exempt from taxation.

TAX LOSSES

Tax losses may be carried forward for five years, except for losses arising from annual allowances on capital expenditure incurred after 1 July 2006. The carryback of losses is not permitted.

TREATY NETWORK

38 Countries

WITHHOLDING TAX

Dividends: 0%

Interest: 10% (0% if interest is paid by GBC 1 company to non-residents)

Royalties: 15% (0% if royalty is paid by GBC 1 company to non-residents)

Rent: 5%

Payments to contractors and sub-contractors: 0.75%

Payments to specific service providers: 3%

Unless reduced/exempt under relevant tax treaty

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MOROCCO

INCOME TAX RATES 2014

Individuals

Taxable Income (MAD)	Tax Rate (%)
Up to 30,000	0
From 30,001 – 50,000	10
From 50,001 – 60,000	20
From 60,001 – 80,000	30
From 80,001 – 180,000	34
Over 180,000	38

Companies

Category	Tax Rate (%)
Companies with a taxable income of not more than 300,000	10
Basic tax rate	30
Financial and insurance companies	37

VALUE ADDED TAX (VAT)

20% on majority of sales of goods/services; reduced rates on certain specific items.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are generally taxed at the rate of 20%.

Companies

Capital gains are taxed in the same way as ordinary profits for corporations.

LOSSES

Carry forward losses:

- Tax losses (Amortisation tax losses excluded) can be carried forward for a period of four years.
- Amortisation tax losses can be carried forward without time limit.

No carry back of losses is allowed.

TREATY NETWORK

38 countries.

WITHHOLDING TAX

Dividends: 15%

Interest: 10%

Royalties: 10%

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THE NETHERLANDS

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)	Social Security Premiums (%)
Up to 19,645	5.1	31.15 (13.25: 65 and older)
From 19,645 – 33,363	10.85	31.15 (13.25: 65 and older)
From 33,363 – 56,531	42	-
Over 56,531	52	-

The same rates apply to both residents and non-residents.

Individuals – income from substantial interests

In the case of a 'substantial interest' in a company (at least 5% of the total issued share capital) a flat rate of 25% is due on dividends, other income and capital gains arising from investments. The tax rate applies to residents and former residents within a time period of 10 years after leaving the Netherlands.

Individuals – income from savings and investments

On the balance of assets and debts higher than EUR 21,139 (married couple: EUR 42,278) a deemed return on investment of 4% is taxed at a flat rate of 30% for residents and non-residents (effective tax rate: 1.2%). In most cases non-residents are only taxable for real estate owned in the Netherlands. The tax free amount is not always applicable for non-residents.

Companies

Taxable Income (EUR)	Tax Rate (%)
Up to 200,000	20
Over 200,000	25

The same rates apply to both residents and (permanent establishments of) non-resident companies.

VALUE ADDED TAX (VAT)

On supplies of most luxury goods: standard rate of 21%. For specific goods and services: 6%. Certain exported (and some incoming) goods and services: 0%.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are taxed in the same way as ordinary income for individuals.

Companies

Capital gains are taxed in the same way as ordinary income for corporations. However, capital gains realised on the sale of shares may under certain conditions be exempt (participation exemption).

LOSSES

Tax losses can generally be carried back to be offset against income in the prior year. Losses can generally be carried forward and offset against future income for nine years.

TREATY NETWORK

Double Tax Agreements: 94 countries

Tax Information Exchange Agreements: 28 countries (5 pending)

Social Security Agreements: 22 countries

WITHHOLDING TAX

Dividends: 15% (unless reduced under relevant tax treaty or EU Directive)

Interest: 0%

Royalties: 0%

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NIGERIA

INCOME TAX RATES 2014

Individuals

Taxable Income (NGN)	Tax Rate (%)
Up to 300,000	7
From 300,001 – 600,000	11
From 600,001 – 1,100,000	15
From 1,100,001 – 1,600,000	19
From 1,600,001 – 3,200,000	21
Above 3,200,000	24

Companies

Taxable Income (NGN)	Tax Rate (%)
All income	30

VALUE ADDED TAX (VAT)

Flat rate of 5% on vatiable goods and services.

CAPITAL GAINS TAX (CGT)

Individuals

10% on chargeable gains.

Companies

10% on chargeable gains.

LOSSES

Losses made by any company in any particular year can only be carried forward for four years.

TREATY NETWORK

8 countries.

	Companies	Individuals
Dividends	10%	10%
Interest	10%	10%
Royalties	10%	5%

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NORWAY

INCOME TAX RATES 2014

Individuals

Taxable Income (NOK)	Tax Rate (%)
Up to 39,950	0
From 39,951 – 527,399	27
From 527,400 – 857,299	36
Over 857,300	39

In addition, a statutory social security contribution of 8.2% is levied on all personal income exceeding NOK 39,600, but limited to 25% of income (applicable on low income).

Companies

Taxable Income (NOK)	Tax Rate (%)
All taxable income	27

VALUE ADDED TAX (VAT)

General rate of 25%. Lower rate of 15% on food and beverages and 8% i.a. transportation, hotel and cinema. Several activities are exempted (i.e. real estate, health and financial services).

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains are subject to 27% tax.

Companies

Capital gains are subject to 27% tax. Capital gains accrued by Norwegian limited companies on shares are exempted from tax (the exemption method). The method equally applies in all EEA countries. The exemption method does not apply to shares in companies in low tax non-EEA countries.

LOSSES

Capital losses are deductible. However, capital losses from tax-free stock sales are not deductible. For companies losses may be carried forward indefinitely. Carry back may be restricted. Certain conditions apply.

TREATY NETWORK

88 countries.

WITHHOLDING TAX

Dividends: 27% or 0% when paid to Company which owns at least 10%.

Interest: 0%

Royalties: 0%

Various domestic exemptions and relief under either the EEA Directive or tax treaties apply.

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OMAN, SULTANATE OF

INCOME TAX RATES 2014

Individuals

Not applicable.

Companies

Taxable Income (OMR)	Tax Rate (%)
Up to 30,000	0
Over 30,000	12

Note: Foreign companies are treated at par with Omani companies and charged as above, after the introduction of the new tax law in Oman effective from 1 January 2010.

VALUE ADDED TAX (VAT)

Not applicable.

CAPITAL GAINS TAX (CGT)

Individuals

Not applicable.

Companies

12% on capital gains wherever earned. Capital gains are added to the total income.

LOSSES

Losses are allowed to be carried forward for a period of five years.

TREATY NETWORK

33 countries.

WITHHOLDING TAX

Dividends: 0%

Interest: 0%

Royalties: 10%

Withholding tax is charged at 10% on the following categories of income accruing in Oman

- Royalties
- Consideration for research and development
- Consideration for the use of or right to use computer software
- Management fees

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PALESTINE

INCOME TAX RATES 2014

Individuals - Residents

Taxable Income (ILS)	Tax Rate (%)
Up to 40,000	5
From 40,001 - 80,000	10
From 80,001 - 125,000	15
Over 125,001	20

Non-residents are taxed at 10%.

Companies

Taxable Income (ILS)	Tax Rate (%)
Profit From 1 - 125,000	15
Over 125,001	20

VALUE ADDED TAX (VAT)

VAT is 16% on all goods and services provided in Palestine except for hotel accommodation for foreigners which is zero. Some international organisations in the course of providing assistance to Palestinians are authorised to buy at a zero VAT percentage.

CAPITAL GAINS TAX (CGT)

Capital gains arising from the sale of securities within a portfolio are exempt.

LOSSES

Losses can be carried forward for up to five years in certain circumstances.

TREATY NETWORK

0 countries.

WITHHOLDING TAX

Dividends: dividends are taxed at 10% from the source.

Interest: interest generated from specialised finance loans given to small entities are taxed at 10%.

Royalties: same as corporate and individual rates

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POLAND

INCOME TAX RATES 2014

Individuals

Taxable Income (PLN)	Tax Rate (%)
Up to 85,528	18% minus the tax reduction amount of PLN 556.02
Over 85,528	PLN 14,839.02 + 32% of surplus over PLN 85,528

The above tax rates apply to both residents (on worldwide income) and non-residents (on income earned in Poland). Some exceptions are provided for, e.g. income of non-residents who are board members and who have been appointed under resolution of shareholders is taxed at 20% flat rate (upon a non-resident's request, income may be taxed at the progressive tax rates). Taxpayers who earn non-agricultural business activity income can choose between taxation at the flat rate of 19% or taxation on the basis of the general rules.

Companies

Taxable Income (PLN)	Tax Rate (%)
All income	19

VALUE ADDED TAX (VAT)

- 23% for most goods and services,
- 8% for sale of new flats, certain foodstuffs, hotel services,
- 5% for certain foodstuffs, books,
- 0% to export and intra – community supply of goods.

VAT exempted, e.g. supply of buildings, structures and parts thereof (with exceptions), educational services, medical care services, selected services of financial brokerage.

CAPITAL GAINS TAX (CGT)

Individuals

There is generally one flat tax rate of 19% on capital income for individuals subject to personal income tax (PIT) (with some minor exceptions).

Companies

Corporations subject to Corporate Income Tax (CIT) add capital gains to their regular profits and pay regular CIT at the rate of 19%.

LOSSES

Both individuals and companies may carry forward losses to offset profits for five consecutive years. In each of these years, the offset may not exceed 50% of each year's loss. Losses cannot be carried back.

TREATY NETWORK

Treaties signed with 91 countries (86 in force and effect).

WITHHOLDING TAX

For income earned in Poland by taxpayers who do not have a registered office or place of management in Poland.

Dividends: 19%

Interest: 20%

Royalties: 20%

Performance of e.g. advisory, accounting, legal services: 20%

Interest and Royalty Directive (2003/49/EC)

From 1 July 2013 income derived from interest and royalties is withholding tax exempt.

The preferential rules of taxation apply, provided that:

- the minimum shareholding amounts to 25%,
- the shares have been held for an uninterrupted period of at least two years and
- the receiving entity from EEA does not benefit from the tax exemption on its total income.

Parent Subsidiary Directive (2011/96/EU)

Dividends as well as other income derived from a share in profits of legal persons is CIT exempt, provided that a shareholder, an entity from EEA, has held no less than 10% of shares of the Polish Company for an uninterrupted period of two years and the receiving entity does not benefit from the tax exemption on their total income (in case of Switzerland the minimum shareholding amounts to 25%).

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PORTUGAL

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	A - Normal Rate (%)	B - Medium Rate (%)
Up to 7,000	14.50	14.50
From 7,000 - 20,000	28.50	23.60
From 20,000 - 40,000	37.00	30.30
From 40,000 - 80,000	45.00	37.65
Over 80,000	48.00	-

The amount of taxable income if higher than EUR 7,000 is divided into two parts: one equal to the limit of the highest bracket comprised therein, to which the rate of column B corresponding to such bracket applies; the other equal to the exceeding fraction to which the rate of the column A corresponding to the next highest bracket applies. The income of a married couple or people living together as a married couple for at least two years is divided by two for purposes of the tax tables application. An additional tax rate of 2.5% will be applied on the share of the taxable income above EUR 80,000 and of 5% on the share of the taxable income above EUR 250,000.

Additionally, a surtax of 3.5% is applicable on residents' taxable income share above the annual minimum guaranteed income (EUR 6,790).

Companies

Taxable Income (EUR)	Tax Rate (%)
All taxable income	23*

* Small and medium companies are subject to a reduced tax rate of 17% regarding their taxable income up to EUR 15,000.

A 1.5% rate (Derrama Municipal) is added to the federal rates resulting in a combined effective rate of 24.5%. An additional 3% taxation (designated as Derrama Estadual) is levied on the share of the taxable income between EUR 1,500,000 and EUR 7,500,000 and an additional 5% levied on the share of taxable income between EUR 7,500,000 and EUR 35,000,000 and 7% levied on the share of taxable income above EUR 35,000,000.

VALUE ADDED TAX (VAT)

23% on majority of sales of goods/services, reduced (13% and 6%) or zero rate on certain specific items.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains arising from the disposal of shares/quotas are taxed at a special flat rate of 28% whether made by residents or non residents. (14% if the shares are in micro or small companies not listed on the stock exchange).

Companies

Capital gains arising from the disposal of shares/quotas are exempt if: i) a minimum 5% participation is detained for at least 24 months; ii) the shares refer to a company subject to one of the taxes foreseen on the "Parent-subsidiary directive" or to a similar tax which statutory rate is no less than 60% of the Portuguese Corporate Income Tax; iii) the shares / quotas refer to a company not resident in a tax haven.

LOSSES

The deduction of tax losses is limited to 70% of the taxable profit. Both individual (carrying out a commercial or industrial activity as self-employment) and company tax losses can be carried forward against the income obtained in the following twelve years.

TREATY NETWORK

61 countries.

WITHHOLDING TAX

	Individuals (%)	Companies (%)
Dividends	28	25
Interest	28	25 / 0 EU ₂
Royalties	25 non-residents / 16.5 residents ₁	25 / 0 EU ₂

¹ This withholding tax has the character of an advanced payment.

² Council Directive 2003/49/CE, of 3 June 2003 0% from 1 July 2013

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QATAR

INCOME TAX RATES 2014

Individuals

There is no Income Tax for individuals

Companies

The tax rate is 10% of the taxable income.

VALUE ADDED TAX (VAT)

There is no Value Added Tax.

CAPITAL GAINS TAX (CGT)

Individuals

There is no Capital Gains Tax.

Companies

There is no Capital gains tax on the disposal of real estate and securities derived by natural persons provided that the real estate and securities disposed of are not part of the assets of a taxable activity.

LOSSES

The taxpayer may deduct losses incurred during a taxable year from the net income of subsequent years, subject to the following:

- 1- losses may not be carried forward for more than three years from the end of the taxable year during which they are incurred; and
- 2- losses resulting from an exempt or non taxable source of income may not be deducted.

TREATY NETWORK

45 countries.

WITHHOLDING TAX

Dividends: 0% Dividends are exempted from tax

Interest: 7%

Royalties: 5%

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ROMANIA

INCOME TAX RATES 2014

Individuals

Taxable Income	Tax Rate (%)
All income	16

Companies

Taxable Income	Tax Rate (%)
All income	16
Revenues gained by companies with total turnover of less than EUR 65,000 other than banking, insurance, reinsurance, stock exchanges, gambling or companies driving more than 20% of their income from consultancy and management activities*	3% of revenues

* Additional conditions should be also fulfilled

VALUE ADDED TAX (VAT)

The standard VAT rate is 24%. A reduced rate of 9% or zero rate is applied on specific goods and services. A VAT rate of 5% is applicable to the supply of social housing.

CAPITAL GAINS TAX (CGT)

Individuals

Gains from selling shares: 16% income tax.

Disposal of real estate: progressive rate of up to 2% or 3%.

Companies

Capital gains are subject to 16% corporate income tax. The capital gains obtained from the sale of shares held in a Romanian company or a company located in a country with which Romania has concluded a Convention for the Avoidance of Double Taxation are tax exempt, provided the taxpayer has held at least 10% of the share capital of the company being sold for an uninterrupted period of at least one year at the moment when the sale of shares is performed.

LOSSES

Losses arising before 2009 may be carried forward for a period of five years. Tax losses arising in 2009 or later may be carried forward for the following seven years. The carry back of losses is not permitted. No provisions regarding group consolidation is allowed for Romanian permanent establishment of foreign companies.

TREATY NETWORK

88 countries.

WITHHOLDING TAX

Dividends: 0% for UE/EFTA resident companies that hold at least 10% of the shares in the Romanian company paying the dividends for a continuous period of at least one year/16% for other non-residents (unless reduced under relevant treaty)/50% for residents of States with whom Romania has no treaty/exchange of information protocol in place for the transactions qualifying as artificial;

Interest: 0% for interest paid to EU/EFTA resident companies that hold at least 25% of the shares in the Romanian company paying the interest for a continuous period of two years/16% for other non-residents (unless reduced under relevant treaty)/50% for residents of States with whom Romania has no treaty/exchange of information protocol in place for the transactions qualifying as artificial;

Royalties: 0% for interest paid to EU/EFTA resident companies that hold at least 25% of the shares in the Romanian company paying the royalties for a continuous period of two years/16% for other non-residents (unless reduced under relevant treaty)/50% for residents of States with whom Romania has no treaty/exchange of information protocol in place for the transactions qualifying as artificial.

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SAUDI ARABIA

INCOME TAX RATES 2014

Individuals

There is no direct personal taxation.

Companies

Category	Tax Rate (%)
Saudi and Gulf resident companies	2.5
Foreign companies and non-resident companies	20
Gas sector	30
Oil and hydrocarbon sector	85

VALUE ADDED TAX (VAT)

Not applicable.

CAPITAL GAINS TAX (CGT)

Individuals

20%

Companies

20%

LOSSES

A taxpayer is entitled to carry forward adjusted operating losses indefinitely provided that the maximum deduction in each tax year does not exceed 25% of the annual profit per the tax return.

TREATY NETWORK

22 countries.

WITHHOLDING TAX

Any resident, whether a taxpayer or non-taxpayer, any permanent establishments and any person who pays any amounts to a non-resident from an in-kingdom source is required to withhold tax from the amount paid at the following rates:

Payment Type	Tax Rate (%)
Rent	5
Royalty or Return	15
Management	20
Payments for airline tickets or air or sea or freight	5
Payments for international telephone communications	5
Any other payments specified by the By-Laws	Not more than 15

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SERBIA

INCOME TAX RATES 2014

Individuals

Taxable Income (RSD)	Tax Rate (%)
Monthly income (no threshold)	10
Annual income from 2,185,488-6,556,467*	10, in addition to above rate
Annual income over 6,556,467*	15, in addition to above rates

*Thresholds applicable for income generated in 2013. Thresholds for each year are adjusted annually and published by Statistical Bureau at the beginning of following calendar year.

Companies

Taxable Income (RSD)	Tax Rate (%)
Annual Income	15

VALUE ADDED TAX (VAT)

Standard VAT rate is 20% while 10% reduced VAT rate applies to specific supplies such as bread, milk, flour, cooking oil, vegetables, meat, fish and eggs, listed drugs, hotel services, public utility services gas, first transfer of ownership on residential buildings, secondary raw materials, etc.

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains of an individual are taxed at a flat tax rate of 15%. Capital losses can be carried forward and used to off-set future years' capital gains in a five year period.

Companies

Capital gains of a company are taxed at a flat tax rate of 15%. Capital losses carry forward period is five years.

LOSSES

Tax losses can be carried forward for five years and used against future years' operating profits.

TREATY NETWORK

Currently 54 applicable treaties.

WITHHOLDING TAX

Dividends: 20% rate (unless the rate is reduced by relevant Double Tax Treaty).

Interest: 20% rate (unless the rate is reduced by relevant Double Tax Treaty).

Royalties: 20% rate (unless the rate is reduced by relevant Double Tax Treaty).

Lease of immovable and movable property: 20% rate (unless otherwise specified by relevant Double Tax Treaty).

Capital gains: 20% rate (unless otherwise specified by relevant Double Tax Treaty).

In addition to above standard rate, 25% withholding tax rate applies to payment of royalty, interest, lease of immovable and movables and services, made to non-resident entities established or having its seat/effective place of management in jurisdiction with a preferential tax system (list of jurisdictions published by the Ministry of Finance).

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SLOVAKIA

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Part of the tax base up to 176.8 times the current living wages (approx. up to or in the amount of EUR 35,022.31 per year)	19
Part of the tax base exceeding 176.8 times current living wages (approx. over EUR 35,022.31 per year)	25

Companies

Taxable Income (EUR)	Tax Rate (%)
All income	22

VALUE ADDED TAX (VAT)

Standard rate is 19%. A temporary standard rate of 20% is applicable from 1 January 2011 until the last day of the calendar year in which the European Commission (Eurostat) publishes data stating that the Slovakia's current Government Deficit is less than 3%. A reduced rate of 10% is imposed on certain specific items (e.g. certain medication, books etc.).

CAPITAL GAINS TAX (CGT)

Individuals

Capital gains of resident individuals are subject to the standard tax rates of 19% and 25%. The sale of real estate is tax free after being held for five years.

Companies

Capital gains of resident companies are subject to the standard flat tax rate of 22%.

LOSSES

Losses may be carried forward equally for a maximum of four taxable periods since 2014 (usage in the amount of 1/4, 1/3 or 1/2 of the tax loss per year). Unused losses for the tax periods 2010 to 2013 may be carried forward equally for four taxable periods (usage in the amount of 1/4 of the unused losses per year). The Loss occurred for 2009 may be utilised in 2014 at the latest. In case of individuals losses can be carried forward and deducted only from their active income tax base (business and self-employment activities). Losses in the case of a merger or a de-merger may be carried forward by the legal successor (merger/de-merger may not be made for tax avoidance purposes).

TREATY NETWORK

63 countries.

WITHHOLDING TAX

Dividends: 0%; 19% for profit reported latest on 31 December 2003;

Interest: 19% (unless exempt or reduced under relevant treaty),
EU Royalties and Interest Directive may apply*,
35% for payments to so-called non-contracting states

Royalties: 19% (unless exempt or reduced under relevant treaty),
EU Royalties and Interest Directive may apply*,
35% for payments to so-called non-contracting states

*Applicable to groups of companies with a minimum 25% interest held for at least 24 months

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SLOVENIA

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 8,021.34	16
From 8,021.34 – 18,960.28	27
From 18,960.28 – 70,907.20	41
From 70,907.20	50

Companies

Taxable Income (EUR)	Tax Rate (%)
Year 2014	17

VALUE ADDED TAX (VAT)

- 22%
- 9.5 % (food, drugs, books, culture events etc.)
- 0% (exports)

CAPITAL GAINS TAX (CGT)

Individuals

CGT applies to sale of shares, property and investment coupons.

- 25% from 0 to 5 years of holding
- 15% from 5 to 10 years of holding
- 10% from 10 to 15 years of holding
- 5% from 15 to 20 years of holding
- 0% after 20 years of holding

Companies

CGT applies to sale of shares.

Reduction of tax basis of 50% for capital gains from the sale of companies if the minimum shareholding is 8%, the shares have been held for at least 6 months and the company has at least 1 full time employee.

LOSSES

Losses can reduce the yearly tax base up to a maximum of 50%.

TREATY NETWORK

54 countries

WITHHOLDING TAX

- Dividends:** 15% - or per applicable DTA and applying the EU Parent-Subsidiary Directive for group purposes (participation at least 10% and holding 24 months; 24 months can be replaced with bank guarantee).
- Interest:** 15% - or per applicable DTA and applying the EU Directive on a common system of taxation applicable to interest and royalty payments (between associated companies of different Member States, participation at least 25%, holding 24 months).
- Royalties:** 15%* or per applicable DTA and applying the EU Directive on a common system of taxation applicable to interest and royalty payments (between associated companies of different Member States, participation at least 25%, holding 24 months).

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SOUTH AFRICA

INCOME TAX RATES 2014

Individuals (residents and non-residents)

Taxable Income (ZAR)	Tax Rate (%)
Up to 174,500	18
From 174,551 – 272,700	25
From 272,701 – 377,450	30
From 377,451 – 528,000	35
From 528,001 – 673,100	38
Over 673,101	40

Basic Tax Rebate – ZAR 12,726 (ZAR 19,836 if over age 65, ZAR 22,203 if over age 75).

Most trusts (resident and non-resident)

40% flat rate of tax.

Companies

Resident – 28% flat rate plus 15% withholding tax on dividends declared.

Non-resident – 28% flat rate with no tax on dividends declared.

VALUE ADDED TAX (VAT)

14% on the supply of virtually all goods and services. Very few exemptions (e.g. personal use assets). Exports and basic foods vatable at zero rate.

CAPITAL GAINS TAX (CGT) - only taxable in respect of periods after 1 October 2001

Individuals

33.3% of taxable capital gains added to other taxable income.

Companies

66.6% of taxable capital gains added to other taxable income.

Non-residents

Only liable in respect of disposals of South African real estate and business assets.

LOSSES

Deductible off taxable income and may be carried forward (not back) indefinitely for individuals and companies (if such companies do not interrupt their trading activities).

TREATY NETWORK

Currently 79 countries (approximately 12 more being negotiated) plus 8 Tax Information Exchange Agreements (approximately 30 more being negotiated).

WITHHOLDING TAX (if no treaty applicable)

Dividends: 15% (with effect from 1 April 2012)

Interest: 15% (with effect from 1 January 2015)

Royalties: 12% (15% with effect from 1 January 2015)

Consultancy, Management and Technical Fees: 15% (with effect from 1 January 2016)

Remuneration of non-resident entertainers and sportspersons: 15%

Capital Gains on disposal of South African Real Estate by non-residents: 5-10% of gross proceeds

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SPAIN

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR) ¹	Tax Rate
Up to 17,707.20	24.75%
From 17,707.21 – 33,007.20	EUR 4,382.52 plus 30% above 17,707.20
From 33,007.21 – 53,407.20	EUR 8,972.52 plus 40% above 33,007.20
From 53,407.21 – 120,000.20	EUR 17,132.52 plus 47% above 53,407.20
From 120,000.21 – 175,000.20	EUR 48,431.24 plus 49% above 120,000.20
From 175,000.21 – 300,000.20	EUR 75,931.24 plus 51% above 175,000.20
Over 300,000.21	EUR 83,431.24 plus 52% above 300,000.20

¹ Including capital gains generated in less than one year.

Companies

Small-Size Companies Tax Regime ²		General Tax Regime
Net Profit (EUR)	Tax Rate (%)	Tax Rate (%)
Up to 300,000.00	25	30
Over 300,000.00	30	

² Less than 10 Million Euros of annual turnover

Non-residents

Permanent establishments: tax paid at 30% on net profit.

Non-permanent establishments: General tax rate 24.75% both for individuals and companies.

VALUE ADDED TAX (VAT)

21% on majority of sales of goods/services; reduced (10%), super reduced (4%) or zero rate on certain specific items.

CAPITAL GAINS TAX (CGT)

Individuals

Tax paid at 21% rate on capital gains for non-residents.

Tax paid at 27% rate on capital gains tax for residents (21% for the first EUR 6,000 and 25% up to EUR 24,000), when the capital gain has been generated over one year.

Special rules of exemption for goods acquired before the Tax Year 1996.

Companies

Tax paid at company tax rate; 12% tax relief available in cases of re-investment on tangible, intangible or financial assets within 3 years when certain conditions are met.

Tax paid at 21% rate on capital gains for non-residents.

LOSSES

Both individual and company tax losses can be offset against similar profits/from the same source in the current year, or carried forward and offset against income of the following year (up to four years for individuals and up to 18 years for companies).

TREATY NETWORK

99 countries.

WITHHOLDING TAX

Dividends: 21% (residents), 0% (EU resident companies) and 21% (the rest)

Interest: 21% (residents), 0% (EU residents) and 21% (non-EU residents)

Royalties: 21% (residents), 0% (EU associate resident company) and 24.75% (the rest)

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SWEDEN

INCOME TAX RATES 2014

Individuals

Taxable Income (EUR)	Tax Rate (%)
Up to 2,171	0
From 2,171-50,165	10 - 33
From 50,165-71,184	53
Over 71,184	58

Companies

Taxable Income (EUR)	Tax Rate (%)
All income	22

VALUE ADDED TAX (VAT)

The standard VAT rate is 25% but reduced to 12% on e.g. foods and hotel rooms, and 6% on e.g. newspapers, books, magazines, transfers of copyrights and personal transportation.

CAPITAL GAINS TAX (CGT)

Individuals

A 30% flat tax rate is levied on capital gains and 22% on personal dwellings. Capital gains on personal belongings are tax-free up to a limit of EUR 5,740.

Companies

The tax rate on capital gains is 22.0%. However, capital gains are tax-free on unquoted shares and if quoted and held for at least 12 months, the shareholding represents at least 10% of the voting power or the shares are held for sound business reasons.

LOSSES

Losses are normally fully deductible in companies except for losses on shares if capital gains on the particular shares would have been tax-free (see above). Losses on portfolio investment shares/certain real estate may only be offset against capital gains on such assets or carried forward indefinitely to be set off against such capital gains.

TREATY NETWORK

90 countries (complete treaties).

WITHHOLDING TAX

Dividends: 30% but usually reduced to 0% on dividends from subsidiaries

Interest: 0%

Royalties: 0% but often taxed by direct assessment.

*All amounts in SEK are converted into EUR at the average exchange rate in 2013 (1 EUR = 8.65 SEK)

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SWITZERLAND

INCOME TAX RATES 2014

Individuals

Residents: 0% - 40% depending on location (26 cantons with different tax brackets).
For foreigners lump sum taxation is available under certain circumstances.

Companies

9% - 25% depending on location (26 cantons with different tax brackets) and tax status (e.g. administrative company, holding company, licence box etc.).

VALUE ADDED TAX (VAT)

8.0% on majority of goods/services; 2.5% on specific items; 3.8% on hotel accommodation.

CAPITAL GAINS TAX (CGT)

Individuals

Generally no CGT, but real estate gains tax. The tax rate is usually progressive with respect to the gain realised and at reducing rates with respect to the holding period (26 cantons with different tax brackets).

Companies

Generally no taxation on sale of subsidiaries, if held for more than one year.

LOSSES

Losses can be carried forward for seven years; no loss carryback.

TREATY NETWORK

80 countries.

WITHHOLDING TAX

Dividends: 35%

Interest: 0% (banks 35%)

Royalties: 0%

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TANZANIA

INCOME TAX RATES 2014

Individuals

Taxable Income (TZS)	Tax Rate (%)
Up to 170,000	0
From 170,000 - 360,000	13
From 360,000 - 540,000	20
From 540,000 - 720,000	25
Over 720,000	30

Companies

Both resident and non-resident corporations are taxed at a flat rate of 30%. A newly listed company with Dar Es Salaam Stock Exchange (DSE) with at least 30% of its equity issued to the public is taxed at a concessionary rate of 25% for three consecutive years from the date of listing. Repatriated income of a resident branch of a non-resident person is taxed at 10%.

VALUE ADDED TAX (VAT)

The standard rate of VAT is 18%. A zero rating applies to export of goods and certain services, agriculture implements, fertilizers, fishing gears and human medicines.

CAPITAL GAINS TAX (CGT)

Individuals

Disposal of investment asset (includes interest in land): Resident 10%, non resident 20%. Exemptions: gains on sale of private residence of TZS 15 million or less, Agriculture land with a market value of less than 10 million.

Companies

Disposal of investment asset: Both resident and non-resident is 30%. Exemptions: Dar es Salaam Stock Exchange (DSE) shares held by a person with shareholding of less than 25%.

LOSSES

In principle losses can be carried forward indefinitely and offset against profits from the same source. Corporations with unrelieved losses for three consecutive years (from July 2012) are taxed at the rate of 0.3% of the turnover from the third year onwards.

TREATY NETWORK

9 countries.

WITHHOLDING TAX

	Residents (%)	Non-residents (%)
Dividends:		
■ From resident to resident company controlling 25% of shares or more	5	n/a
■ From non-resident to resident person	n/a	30
■ From DSE-listed company	5	5
■ From other companies	10	10
Interest:	10	10
Royalties:	15	15

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TUNISIA

INCOME TAX RATES 2014

Individuals

Taxable Income (TND)	Tax Rate (%)	Real Rate (%)
Up to 1,500	0	0
From 1,500 – 5,000	15	10.5
From 5,001 – 10,000	20	15.25
From 10,001 – 20,000	25	20.12
From 20,001 – 50,000	30	26.05
Over 50,000	35	-

The above tax rates apply to all income (including capital gains realised in the course of a business, speculative gains, etc.).

Dividends received by individuals (residents and non residents) are taxable by a definitive withholding tax, at a rate of 5%, if they are related to distribution of profits realised from 1 January 2014; ie dividends distributed from the year 2015 must be subject to the withholding tax.

Companies

Corporation tax is payable at a general rate of 25% based on the income of the financial year, from 1 January 2014; ie the Corporation tax which will be paid from the year 2015 is payable at the new rate of 25%. For financial, banking and gas companies the rate is 35% and for agricultural companies the rate is 10%.

The same rates apply to both resident and non-resident companies. Profits from export activities pay no income tax for a period of ten years. After the completion of the tax holiday, the benefits from exportation activities are taxable at a rate of 10%.

Dividends received by resident companies are tax exempt. If the dividend is received by a non resident company, they are taxed at a rate of 5%.

VALUE ADDED TAX (VAT)

The standard rate of VAT is 18%. A reduced rate of 12 or 6% applies to some goods and services and some others (agriculture, culture, petroleum services) are exempt. A zero rating is applied to exported goods and services.

CAPITAL GAINS TAX (CGT)

For companies there is no separate CGT. Capital gains are included in the taxable base of the income of the resident. For non resident companies, capital gains are taxable with a withholding tax at a rate of 25% applicable on the gain, without exceeding 5% of the selling price, under reserve of the non double taxation treaties. For individuals, capital gains are taxable at the rates of 10% for non-residents, without exceeding 2.5% of the selling price, under reserve of the non double taxation treaties.

LOSSES

May be carried forward and offset against future taxable income for a limited period of five years. The part of losses representing amortisation can be carried forward and deducted for an unlimited period. Each member of a corporate group is treated as a separate entity.

TREATY NETWORK

49 countries.

WITHHOLDING TAX

Dividends: Exempt for resident companies, and 5% for individuals (resident and non-resident) and non-resident companies.

Interest: Resident: 20% / Non-resident: 2.5%

Royalties: Resident: 15% / Non-resident: 15% (25% if paid to a resident in a tax haven).

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TURKEY

INCOME TAX RATES 2014

Individuals

Taxable Income (TRY)	Upper Bracket (TRY)	Tax on Lower (TRY)	Tax Rate (%)
0	11,000	-	15
11,000	27,000	1,650	20
27,000	60,000	4,850	27
60,000	-	13,760	35

Companies

Taxable Income (TRY)	Tax Rate (%)
All income	20

VALUE ADDED TAX (VAT)

The standard tax rate is 18%; reduced rates of 8% and 1% apply to specific goods and services.

CAPITAL GAINS TAX (CGT)

Individuals

Individuals are not taxed on gains arising from the sale of joint stock companies. Sales of shares in a limited company must be declared and are subject to progressive income tax. On the sale of real estate, if assets are held for more than five years the capital gain is exempt from tax. Capital gains arising from the sale of real estate which is held for five years or less are subject to progressive income tax with the first TRY 9,700 exempt.

Companies

25% of the capital gains arising from the sale of participation shares and real estate which were held as an asset for more than two years are subject to corporate tax at the rate of 20%. (75% of capital gains are exempt from corporate tax).

LOSSES

Losses may be offset against other income and capital gains for the same accounting period for companies. Losses may be carried forward for five years.

TREATY NETWORK

79 countries.

WITHHOLDING TAX

Dividends: 15%

Interest: 15%

Royalties: 20%

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UGANDA

INCOME TAX RATES 2014

Individuals

Taxable Income (UGX)	Tax Rate (%)
Residents:	
Up to 1,560,000	0
From 1,560,001 - 2,820,000	10
From 2,820,001 - 4,920,000	20
Over 4,920,000	30
Non-residents:	
Up to 2,820,000	10
From 2,820,001 - 4,920,000	20
Over 4,920,000	30

Companies

Category	Tax Rate (%)
Resident Companies	30
Non-resident Companies	30
Exporters of min 80% out of EAC	30
Agro-processing investors, education institutions	No tax
Small Businesses <UGX 50m	Presumptive Tax
Branch remittance tax	15
Mining entities	25 - 45

VALUE ADDED TAX (VAT)

Standard rate is 18%. Registration threshold is turnover of UGX 50m. Professionals are required to register irrespective of turnover. Zero-rate applies to exports and specified goods and services. Certain goods and services exempt from VAT including rental income, computers, software, accommodation and real estate.

CAPITAL GAINS TAX (CGT)

Individuals

Applicable on gains on sale of shares in a private limited Liability Company with effect from 1 January, 2011. Taxed at 30%.

Companies

Applicable on gains on disposal of business assets and taxed at 30%. Capital losses are deductible. Not applicable for gains prior to 1 April 1998.

LOSSES

Tax losses may be carried forward for offset against future taxable profits for an indefinite period.

TREATY NETWORK

8 countries.

WITHHOLDING TAX

	Resident (%)	Non-resident (%)
Dividends:	5/10 (exempt for shareholding >25%)	15
Interest:	15	15
Royalties:	n/a	15
Professional:	6	15
Contractual:	6	15
Management:	6	15

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UKRAINE

INCOME TAX RATES 2014

Individuals

Taxable Income (UAH)	Tax Rate (%)
Up to 12,180 (monthly salary)	15
Over 12,180 (monthly salary)	17

Companies

Taxable Income (UAH)	Tax Rate (%)
Income tax	18

- No tax till 2016 for qualifying businesses (except, for example, entertaining, accounting, selling of excisable goods, etc) with annual revenue less than UAH 3 million and up to 20 employees.
- No tax for producers of electricity from renewable sources of energy till 2021.
- No tax till 2020 on income from: (i) sale of equipment used for producing of vehicles consuming biofuels, (ii) sale of produced biofuels, (iii) generation of power using biofuels, and for extractors and utilizers of methane.
- No tax for the light industry producers (except working with raw materials) till 2021.
- No tax on income from sale of self-made baby food.
- No tax on 3*, 4* and 5* hotelling services till 2021.
- No tax on income from educational services of private pre-schools and secondary schools.
- 0% applies to life insurers.
- 0% applies to certain taxpayers implementing investment projects in priority sectors of the Ukrainian economy till 2018 (then 8% till 2023).
- 3% applies to insurers.
- 5% applies to software developers till 2023.
- 10% applies to profit derived from trading with securities and derivatives

VALUE ADDED TAX (VAT)

- Standard rate is 20%.
- 0% tax rate applies to export of goods and auxiliary (i.e. included into the customs value of goods) services.
- Services rendered outside of Ukraine are not subject to tax, as well as supplies of some products (e.g. medications, books).

CAPITAL GAINS TAX (CGT)

Individuals

- 5% if a real estate is owned less than 3 years.
- 5% if more than one sale per year.
- 15(17)% applies to transactions with shares and securities.
- Dividends are taxed at 5%.
- Interest is not taxed till 2015, then 5% will apply.

Companies

Capital gains are taxed at the standard corporate tax rate.

LOSSES

Tax losses can be carried forward indefinitely.

TREATY NETWORK

71 countries

WITHHOLDING TAX

Dividends: 15%

Interest: 15%

Royalties: 15%

Capital Gains: 15%

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UNITED ARAB EMIRATES

INCOME TAX RATES 2014

Individuals

No direct personal taxation.

The UAE does not require social insurance contributions for expatriates. UAE and other GCC nationals working in the UAE contribute to retirement and pension funds in accordance with specific regulations.

Companies

There is no federal tax in the UAE. Each of the Emirates (Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al Khaimah, Sharjah and Umm Al Quwain) have issued tax decrees but in practice these have not been applied. There is a risk that these laws may be applied more generally in future and there is a remote risk that they will be approved retroactively. Taxes are currently imposed at the Emirates level on:

- Oil and gas producing companies: as per specific government concession agreements; and
- Branches of foreign banks under specific tax decrees or regulations or agreements with the Rulers of the Emirates in which the branches operate.

Several free zones have been created across the UAE. These free zones provide tax exemptions for a guaranteed period, currently a maximum of 50 years.

MUNICIPALITY TAX

Municipal taxes are imposed on hotel services and cinema shows. Service charge percentages vary among the Emirates. A service charge of 5% to 10% is charged on food purchased in restaurants. Hotels charge a 10% to 15% service charge per night on room rates.

PROPERTY TAX

In most of the Emirates, property tax is payable by residential and commercial tenants by reference to the annual rent of residential property, generally at a rate of 5% and for commercial property at a rate of 5% to 10% payable to the local municipality.

SALE/PURCHASE FEE

A fee of 2% of the sale value is levied on transactions of sale/purchase of properties in Dubai. This is collected at the time of the registration of the transaction. This rate may vary for other Emirates.

CUSTOMS DUTY (Federal Customs Authority)

The member states of the Gulf Cooperation Council (GCC), which are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, approved regulations for the implementation of the GCC Customs Union on 22 December 2002. All of the states have adopted the unified customs duty generally calculated at 5% of the invoice value on most goods (except those on the exempted list, which are allowed free of duties, and certain restricted items, such as alcohol and tobacco products, which are subject to duty at much higher rates) imported into the region. If goods are shipped directly from a non-GCC country to the customer, duty is payable at the first entry point. The duty is levied on the cost, insurance and freight (CIF) value. The duty is payable by the importer of record.

VALUE ADDED TAX (VAT)

There is no value added tax in the UAE at the moment, although the imposition of VAT is being considered by the government.

CAPITAL GAINS TAX (CGT)

No tax is imposed on capital gains earned in the UAE at present.

TREATY NETWORK

Tax treaties with over 47 countries.

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UNITED KINGDOM

INCOME TAX RATES 2014

Individuals

Taxable Income (GBP)	Tax Rate (%)
Up to 10,000	0
From 10,001 – 41,865 (basic rate)	20
From 41,866 – 150,000 (higher rate)	40
Over 150,000	45

Companies

Taxable Income (GBP)	Tax Rate (%)
Up to 300,000	20
From 300,001 – 1,500,000	21.25
Over 1,500,000	21

VALUE ADDED TAX (VAT)

20% on majority of goods and services; reduced (5%) or zero rate on specific items.

CAPITAL GAINS TAX (CGT)

Individuals

For a basic rate tax payer (who pays income tax at 20%) the CGT is 18% on gains over GBP 10,900 per tax year. For a higher rate tax payer (income tax at 40 or 45%) the CGT rate is 28%. Capital gains are treated as the top slice of income. Individuals who qualify for Entrepreneurs' Relief can have the first GBP 10 million of gains free of tax.

Companies

CGT paid at company tax rate (see above). Relief for retail price inflation is available. An exemption from CGT is available for companies disposing of shares that fall within the Substantial Shareholding Exemption.

Dividends received from qualifying overseas shareholdings are exempt from tax.

LOSSES

Trading losses can be set against total income in the year or carried back against income in the previous year. Trading losses can be carried forward indefinitely, to be set off against similar profits from the same source. Companies can surrender current period losses to other group companies.

TREATY NETWORK

130 countries.

WITHHOLDING TAX (non-residents)

Dividends: 0%

Interest: 20%

Royalties: 20%

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YEMEN

INCOME TAX RATES 2014

Individuals

Taxable Income (YER)	Tax Rate (%)
Up to 10,000	Exempt
From 10,001 – 20,000	10
Over 20,000 (residents)	15
Over 30,000 (non-residents)	20

Resident foreigners (i.e. staying in Yemen for more than 183 days in a calendar year) get the same tax treatment as locals. Non-resident foreign employees are taxed at a rate of 10% without any exempted deductions.

Companies

Category	Tax Rate (%)
General rate	20
Oil & Gas exploration and mining companies	35
Companies that provide cell phone services	50
The projects licensed under the investment law	15

VALUE ADDED TAX (VAT)

General sales tax (GST) functions like a simplified (VAT), applicable primarily to entities with YER 50 million or more in annual sales. The tax rate is 5% although there are some exceptions.

CAPITAL GAINS TAX (CGT)

Individuals

Not applicable.

Companies

Not applicable.

LOSSES

Tax losses can be carried forward for a period of five years.

TREATY NETWORK

With about 30 countries.

WITHHOLDING TAX:

10% applied to payments made against to any provided services by (resident or non-resident), other while 4% withhold for payment of constructional working and 3% for material purchase.

Dividends: Exempted if the tax has been prior declaring for such dividends. Otherwise, 10% shall be withheld.

Interest: 10%

Royalties: 10%

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