

Import Tax in MENA

Country	Taxes Laws
<u>Bahrain</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • The mandatory threshold is 37,500 (BHD) for businesses resident in Bahrain, and the voluntary registration threshold is BHD 18,750. Non-resident businesses will be required to register upon making the first supply subject to VAT in Bahrain. <p><u>Customs duty</u></p> <ul style="list-style-type: none"> • The general rate of customs duty is 5% of the value in cost, insurance, and freight (CIF), except for alcoholic beverages, which is 225%, and cigarettes, which is 200%. • Certain categories of goods, such as paper and aluminum products, are subject to a 20% duty rate
<u>Egypt</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • The standard VAT rate is 14% <p><u>E-Invoicing</u></p> <ul style="list-style-type: none"> • Taxpayers are required to issue their invoices electronically as per the technical and legal requirements that were issued by the head of the ETA. <p><u>Customs duty</u></p> <ul style="list-style-type: none"> • Average rates of duties range between 0% and 60%. • Up to 135% are applied for passenger cars, nonessential and luxury consumer goods, and alcoholic beverages.
<u>Iraq</u>	<p><u>Sales tax</u></p> <ul style="list-style-type: none"> • A sales tax of 300% is imposed on alcohol and tobacco (cigarettes), 15% on travel tickets, 15% on cars, and 20% on mobile recharge cards and the internet. This is in addition to services rendered by deluxe and first-class restaurants and hotels, which are subject to a 10% sales tax. <p><u>Customs duties</u></p> <ul style="list-style-type: none"> • The customs duty rates are specified in the customs tariff and the agriculture agenda that is annexed to the Customs Duty Law.
<u>Jordan</u>	<p><u>Sales tax</u></p> <ul style="list-style-type: none"> • A general sales tax similar in operation to a value-added tax (VAT) is imposed at the rate of 16% on the following transactions: <ul style="list-style-type: none"> → Sales of goods or services, or both. → Importing any service or goods from outside Jordan or from the free zone areas and markets inside Jordan.

	<ul style="list-style-type: none"> • Goods exempt from sales tax include bread, water packed in less than five liters, tea, sugar, gold, money, and electricity. • Services exempt from sales tax include the following: (<u>Air transport - Education - Disposal of sewage and waste - Public health and similar activities - Activities of religious organizations - Activities of social organizations</u>)
<u>Kuwait</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • In Kuwait, the GCC framework agreement is currently under discussion in the Parliament while the draft Law is under preparation by the government. <p><u>Customs tariffs</u></p> <ul style="list-style-type: none"> • The GCC states have approved a unified customs tariff of 5% on cost, insurance, and freight (CIF) invoice prices, subject to certain exceptions.
<u>Oman</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • The standard rate of VAT in Oman is 5% and consistent with the GCC Unified Agreement. <p><u>Customs tariffs</u></p> <ul style="list-style-type: none"> • Standard rate of Customs duty is 5%. However, there are certain goods that are subject to Customs duty at different rates.
<u>Qatar</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • Currently, Qatar imposes no VAT or sales tax on operations in Qatar. However, the introduction of VAT in Qatar under a common GCC framework is expected to be introduced in the near future. The anticipated tax rate is 5%. <p><u>Customs tariffs</u></p> <ul style="list-style-type: none"> • Customs duties are applied to goods with an origin outside the GCC countries, normally at a rate of 5%.
<u>Saudi Arabia</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • VAT is imposed at a rate of 5% for most goods and services, with certain exceptions applicable. Effective 1 July 2020, the standard VAT rate was increased by the government to 15%. <p><u>Customs tariffs</u></p> <ul style="list-style-type: none"> • To encourage joint ventures in manufacturing, the government grants tariff protection from competing imports to locally produced, quality goods. Rates can be as high as 25%.
<u>United Arab Emirates</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none"> • The general VAT rate is 5% and applies to most goods and services, with some goods and services subject to a 0% rate or an exemption from VAT (subject to specific conditions being met). <p><u>Customs tariffs</u></p> <ul style="list-style-type: none"> • Generally, a customs duty of 5% is imposed on the cost, insurance, and freight (CIF) value of imports. • Other rates may apply to certain goods, such as alcohol and tobacco, and certain exemptions and reliefs may also be available.

	<ul style="list-style-type: none">• In some cases, the anti-dumping duty is 67.5% of the CIF value of the goods.
<u>Lebanon</u>	<p><u>Value-added tax (VAT)</u></p> <ul style="list-style-type: none">• The standard VAT rate in Lebanon is 11%. Unless specifically exempt, VAT is levied on all commercial transactions undertaken by business entities.