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# Tax Cards | 2019

## A summary of tax facts of countries in the EMEA region

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# Tax Cards | 2019

The AGN EMEA Tax Surveys of:

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# Tax Cards | 2019

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# AUSTRIA
## 2019 TAX CARD (IN EUROS)

### 1. Basis of Taxation

Income is taxed on a yearly basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income, whereas non-residents are taxed on their Austrian sourced income.
The main taxes levied in Austria can be divided into five categories:

- taxes on income (income tax and corporation tax)
- Social security contributions (health insurance, pension insurance, unemployment insurance and accident insurance)
- Sales (Value added) tax
- Income tax on non-residents
- Other Taxes (Capital gains tax, Real estate transfer tax, Vehicle tax, Municipal tax, Excise duty)

### 2. Corporate Tax

Corporation tax is a tax, in principle payable annually, on all profits generated in Austria by companies and other legal entities.

If corporations (AG, GmbH) have their legal seat or place of effective management in Austria, they are subject to unlimited taxation in Austria of their entire (domestic and foreign) income. Non-Austrian residents are subject to limited taxation on certain sources of income in Austria.

In Austria, corporations are independent tax subjects. Therefore a distinction needs to be made between tax ramifications at the level of the company and those at the shareholder level.

- Level of the company: standard corporate income tax (CIT) rate of 25%, regardless of whether profits are retained or distributed.
- Level of the shareholder: withholding tax (WHT) of 25% for corporations and 27,5% for other recipients in case of profit distributions.

A minimum CIT has to be paid from companies in a tax-loss position The minimum CIT can be credited against future CIT burdens without time limitation.

- Minimum CIT for an AG: 875 euros per quarter of a year
- Minimum CIT for a GmbH founded before 30.06.2013: 437,50 euros per quarter of a year
- Minimum CIT for a GmbH founded after 30.06.2013: 125 euros per quarter of the first five years and 250 euros for the next five years.

### 3. Withholding Tax Rate (non-treaty)

| | Resident individual | Non-Resident | |
|---|---|---|---|
| | | Individual | Corporation |
| Dividends | 27,5% | 27,5% | 25-27,5% |
| Interest | 0/25/27,5% | 0/25/27,5% | |
| Royalties | | 20% | 20% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.

**4. Resident Individual**

**Tax assessment base:**
sum of income
- income-related expenses
- special expenses
- extraordinary burdens
- tax-free amounts
= tax assessment base

There is a progressive rate of income tax (0-55%) in Austria. The level of income tax depends on the taxable income in a given calendar year.

| Income in EUR | Tax rate |
|---|---|
| Until 11.000 | 0% |
| Above 11.000 up to 18.000 | 25 % |
| Above 18.000 up to 31.000 | 35 % |
| Above 31.000 up to 60.000 | 42 % |
| Above 60.000 up to 90.000 | 48 % |
| Above 90.000 | 50 % |

On other remuneration, particularly one-time payments (eg 13th and 14th salary) up to one-sixth of the yearly recurring payments (Jahressechstel) the following rates apply:

| Other remuneration | Tax rate |
|---|---|
| For the first EUR 620 | 0% |
| For the next EUR 24.380 | 6% |
| For the next EUR 25.000 | 27% |
| For the next EUR 33.333 | 35,75% |
| Above EUR 83.333 | 50% |

In the calendar years, 2016 until 2020, income above EUR 1 Mio is taxed with a rate of 55%.

**5. Non-Resident Individual Tax Rates**

The rules relating to Austrian income received by persons domiciled outside Austria are in principle the same as for persons domiciled in Austria. However, for some income, a withholding tax is applied that can in some cases exempt from all future taxation.

**6. Goods and Services tax**

**Value-added tax**

VAT is a general consumption tax levied on goods supplied and services provided in Austria.
Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is finally borne by the end-user, since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it on to his local tax office, minus the VAT on inputs paid to his own supplier.

**6. Goods and Services tax (cont)**

The Austrian VAT rates are as follows:
- Regular tax rate: 20%
- Reduced tax rates: 10% and 13%

The reduced tax rates apply for instance to foodstuffs, books, passenger transportation and accommodation.

### Tax exemptions

A distinction is made between:
- Exemptions with credit: the turnovers are exempt from the sales tax, but the right to deduct input tax remains.
  - The most important case are exports to third countries.
- Exemptions without credit: the sales tax is not invoiced, and the corresponding input tax cannot be claimed. Examples:
  - Small business owners
  - insurance companies
  - insurance agents
  - rentals for business premises

VAT returns and payments have to be done monthly or quarterly depending on the annual amount of turnover.

**7. Estate duty**

### Inheritance and gift tax

Estates or donations after the 1st August 2008 are not taxable. However, real estate transfer tax has to be paid in the case of an inheritance of a property.

### Real estate transfer tax

There are different types of real estate transfers in Austria:
- transfers with compensation: 3,50% (generally)
- Free-of-charge transfers (i.e. family and non-family transfers): The property value is the taxable base for this kind of transfers. A three-fold assessed ratable value (capped at 30% of the fair market value) is taken as the tax base and a tax rate of 2% is applied for real estate transfers within the closest family circle.
- transfers without compensation: This kind of transfer is subject to different levels:

| Property value | Tax rate |
|---|---|
| … of below EUR 250.000 | 0,5% |
| … up to EUR 400.000 | 2% |
| … over EUR 400.000 | 3,5% |

- Business transfers: In this case, the tax is capped at 0,5% of the property value. In special cases in connection with corporate restructuring under the Reorganisation Tax Act, the two-fold assessed standard rateable value is taken as the tax base, and the standard tax rate applies. 0,5% of the property value amounts as the standard tax rate.

An exemption is real estate transactions with a tax base of EUR 1100 or below as there is no taxation.

**8. Stamp duty**

For certain legally predefined transactions, stamp duties are imposed. If there is a written contract (e.g. lease contracts, bills of exchange, assignments of receivables or even electronically signed emails) and at least one party is Austrian or the contract is related to Austria, stamp duties are triggered. However, various possibilities are available to structure legal transactions in a way without triggering stamp duties (e.g. setting up of contracts abroad, offer-acceptance procedure, usage of audio-tapes).

The stamp duty rates for the most common legal transactions are as follows:

| Legal transactions | Stamp duty (%) |
|---|---|
| Lease agreements (1) | 1,00 |
| Certificates of bonds/pledges | 1,00 |
| Bill of exchange | 0,13 |
| Assignment of receivables | 0,80 |
| Loan and credit agreements | Are not subject to stamp duty |

Share transfers

0,5%

**9. Property tax**

In Austria there is no property tax.

**10. Income tax filing deadlines**

| Types of form | Taxpayer | Deadlines (of the following year) |
|---|---|---|
| E1 | Residential individual | 30th April (30th June in case of online submission via FinanzOnline) |
| E7 | Non-residential individual | 30th April |
| K1 | Companies | 30th April |

**11. Double Tax Agreements**

Austria has signed 92 tax treaties with all major trading countries. Some of the treaties provide for elimination or partial elimination of double taxation by a foreign tax credit. Under the majority of treaties, however, double taxation is avoided or partially avoided by an exemption-with-saving clause as to progression. As an exception to the rule, dividends and interest are usually fully taxable with a foreign tax credit.

For more information on each of the country's, please please visit : https://english.bmf.gv.at/taxation/The-Austrian-Tax-Treaty-Network.html



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# BELGIUM
## 2019 TAX CARD (IN EUROS)

### 1. Basis of Taxation

The normal Belgian income year runs from 1 January to 31 December.

The Belgian taxation system is based on two main principles:

- Residence jurisdiction principle: individuals or corporations that are registered as residents of Belgium are subject to Belgian tax on their worldwide income, arising both in Belgium and/or elsewhere.
- Source jurisdiction principle: the source jurisdiction of taxation means that Belgium taxes non-resident individuals and corporations on income arising to them from sources within Belgium only.

### 2. Corporate Tax

Additional definitions related to the corporate taxation period:

**Financial year** is the year in which revenue is arising.
**Tax year** is the year in which the revenue is taxed.

Revenue arising during the financial year ending on 31 December is following the taxation rules of the next year (tax year = financial year + 1).

Revenue arising during the financial year ending before 31 December is following the taxation rules of the year in which the financial year ends, and not the taxation rules of the next year (tax year = financial year).

A Belgian resident company and a company that is taxable in Belgium due to the 'Source jurisdiction principle' are subject to Belgian corporate income tax.

The following tax rates apply to Belgian companies and establishments of foreign companies for the financial year 2018 (tax year 2019):

Table 2.1

| Type of the tax rates | Tax rate | Tax rate (incl 2% additional crisis contribution) |
|---|---|---|
| Small and medium-sized companies[1] subject to the reduced tax rate | See table 2.2 | |
| Large companies and companies not subject to the reduced tax rate | 29,00% | 29,58% |

Small and medium-sized companies are as per definition of the Belgian legislation the ones that DON'T exceed any of the following limits at the end of the latest closed financial year:
- Annual average personnel: 50;
- Annual turnover (excl. VAT): 9M EUR;
- Total of the balance: 4.5M EUR.

If more than one of the aforementioned criteria is exceeded or no longer exceeded, this will only have an impact if this new situation lasts for two consecutive financial years. So, the impact will start as from the financial year following to the financial year in which more than one of the criteria is exceeded or no longer exceeded for the second time.
Companies not subject to reduced tax rate (TY 2019): Companies not being an SME based on the criteria listed in point 1 above and/or one of the following exclusions is not applicable:
- Company's financial participations ishigher than 50% of its capital adjusted with taxed reserves;
- Affiliates that are owned by other companies for 50 or more % of its shares;
- Companies that paid less than 45.000 EUR as a salary to Director during the FY;
- Investment funds and pension funds.

## 2. Corporate Tax (cont.)

Table 2.2

| Taxable revenue EUR | Tax rate | Tax rate (incl 2% additional crisis contribution) |
|---|---|---|
| 0–100.000 | 20,00% | 20,40% |
| >100.000 | 29,00% | 29,58% |

The following rates from the Table 2.3 apply for Belgian companies and establishments of foreign companies in Belgium for the financial year 2020 (tax year 2021):

Table 2.3

| Type of the tax rates | Tax rate |
|---|---|
| Small and medium-sized companies subject to the reduced tax rate | See table 2.4 |
| Large companies and companies not subject to the reduced tax rate | 25,00% [3] |

Table 2.4

| Taxable revenue EUR | Tax rate |
|---|---|
| 0–100.000 | 20,00% |
| >100.000 | 25,00% |

[3] As from1 January 2020, the additional crisis contribution is no longer applicable.

## 3. Withholding tax rate (non-treaty)

Table 3.1

| Taxable revenue EUR | Tax rate | | Tax rate (incl 2% additional crisis contribution) |
|---|---|---|---|
| Dividends | 30% | 30% | 30% |
| Interest | 30% | 0% [4] | 30% |
| Royalties/know-how | 30% | 30% | 30% |
| Rents (for moveable property) | 0% | 30% [5] | 30% (specific cases) |
| Management fees | NA | | NA |
| Technical fees | NA | | 16,5% [6] |
| Directors' fees | NA | | NA |

[4] Concerns a tolerance of the Belgian tax authorities.
[5] Applicable in specific cases.
[6] Concerns a specific Belgian tax regime.

## 4. Resident and non-resident individual tax rates (for Tax Year 2019)

### Progressive tax rate

Table 4.1

| Taxable Income (TY 2019) EUR | Tax rate |
|---|---|
| 0 – 13.250 | 25% |
| 13.250 – 23.390 | 3.312,50 + 40% of excess over 13.250 |
| 23.390 – 40.480 | 7.368,50 + 45% of excess over 23.390 |
| > 40.480 | 15.059 + 50% of excess over 40.480 |

**5. Value Added Tax**

VAT rates in Belgium are:
- 21% general rule for all goods and services;
- 12% or 6% on exceptional goods and services
- 0% for the exempted goods and services

Belgium follows the European Intracommunity VAT rules (0% rate on goods exported to other EU countries)

**6. Estate duty**

Progressive tax rate depending on the next following factors:

1. Region in which taxed (Flanders, Wallonia or Brussels).
2. Relatives grade (husband/wife, children, sisters/brothers).

Example: Flanders, straight line (partners, parents or children) relatives:

Table 6.1

| Taxable amounts | Tax rate |
|---|---|
| 0 – 50.000 | 3% |
| 50.000 – 250.000 | 9% |
| >250.000 | 27% |

**7. Stamp duty**

As from 1 January 2007, the Belgian stamp duty has been abolished.

**8. Registration fees**

The general rule in Flanders: as from 1st June 2018 acquisition of real property is subject to a general rate of 7%. The Walloon and Brussels Capital Region apply a rate of 12,5%.

Other rates and tariffs apply for the registration of documents, deeds, etc.

**9. Property Taxes**

Belgium imposes land-tax which is levied on the value of all immovable property.

Property tax is based on the cadastral revenue allocated to the immovable property.

**10. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| Tax Return | Individuals | 30 June |
| Tax Return | Companies | 6 months after the end of the financial year |
| Management fees | NA | NA |
| Technical fees | NA | NA |
| Directors' fees | NA | NA |

*Various extensions are available for filing.

## 11. Double Tax Agreements

89 international tax treaties have been put in place to prevent tax treaties were signed with foreign countries to avoid double taxation.

| Recipient | WHT (%) | | |
|---|---|---|---|
| | Dividends % | Interest %* | Royalties, certain rentals (6) |
| Non-resident corporations and individuals: | | | |
| **Non-treaty** | 30 | 30 | 30 |
| **Treaty:** | | | |
| Albania | 5/15 (4) | 5 | 5 |
| Algeria | 15 (4) | 15 (6) | 5/15 |
| Argentina | 10/15 (4) | 12 (6) | 3/5/10/15 |
| Armenia | 5/15 (4) | 10 (6) | 8 |
| Australia | 15 (4) | 10 | 10 |
| Austria | 15 (4) | 15 (6) | 10 |
| Azerbaijan | 5/10/15 (4) | 10 | 5/10 |
| Bahrain | 10 (4) | 5 (6) | 0 |
| Bangladesh | 15 (4) | 15 (6) | 10 |
| Belarus | 5/15 (4) | 0/10 | 5 |
| Bosnia-Herzegovina (1) | 10/15 (4) | 15 | 10 |
| Brazil | 10/15 (4) | 10/15 (6) | 10/15/20 |
| Bulgaria | 10 (4) | 10 (6) | 5 |
| Canada | 5/15 (4) | 10 (6) | 0/10 |
| Chile | 0/15 (4) | 5/15 | 5/10 |
| China, People's Republic of (2) | 5/10 (4) | 10 (6) | 7 |
| Congo | 5/10 (4) | 10 (6) | 10 |
| Croatia | 5/15 (4) | 10 (6) | 0 |
| Cyprus | 10/15 (4) | 10 (6) | 0 |
| Czech Republic | 5/15 (4) | 10 (6) | 5/10 |
| Denmark | 0/15 (4) | 10 | 0 |
| Ecuador | 15 (4) | 10 (6) | 10 |
| Egypt | 15/20 (4) | 15 | 15/25 |
| Estonia | 5/15 (4) | 10 (6) | 5/10 |
| Finland | 5/15 (4) | 10 | 5 |
| France | 10/15 (4) | 15 | 0 |
| Gabon | 15 (4) | 15 (6) | 10 |
| Georgia | 5/15 (4) | 10 (6) | 5/10 |
| Germany | 15/25 (4) | 0/15 | 0 |
| Ghana | 5/15 (4) | 10 (6) | 10 |
| Greece | 5/15 (4) | 5/10 (6) | 5 |
| Hong Kong | 0/5/15 (4) | 10 (6) | 5 |
| Hungary | 10 (4) | 15 (6) | 0 |

**13. Double Tax Agreements (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Iceland | 5/15 (4) | 10 (6) | 0 |
| India | 15 (4) | 10/15 | 20 |
| Indonesia | 10/15 (4) | 10 (6) | 10 |
| Ireland, Republic of | 15 (4) | 15 | 0 |
| Israel | 15 (4) | 15 | 10 |
| Italy | 15 (4) | 15 (6) | 5 |
| Ivory Coast | 15/18 (4) | 16 (4) | 10 |
| Japan | 5/15 (4) | 10 | 10 |
| Kazakhstan | 5/15 (4) | 10 (6) | 10 |
| Korea, Republic of | 15 (4) | 10 (6) | 10 |
| Kosovo (1) | 10/15 (4) | 15 | 10 |
| Kuwait | 0/10 (4) | 0 | 10 |
| Kyrgyzstan (3) | 15 | 15 (6) | 0 |
| Latvia | 5/15 (4) | 10 (6) | 5/10 |
| Lithuania | 5/15 (4) | 10 (6) | 5/10 |
| Luxembourg | 10/15 (4) | 0/15 | 0 |
| Macedonia | 5/15 (4) | 10 (6) | 10 |
| Malaysia | 0/15 (4) | 10 | 10 |
| Malta | 15 (4) | 10 (6) | 0/10 |
| Mauritius | 5/10 (4) | 10 (6) | 0 |
| Mexico | 5/15 (4) | 10/15 (6) | 10 |
| Moldova (3) | 15 | 15 (6) | 0 |
| Mongolia | 5/15 (4) | 10 (6) | 5 |
| Montenegro (1) | 10/15 (4) | 15 | 10 |
| Morocco | 6.5/10 (4) | 10 (6) | 10 |
| Netherlands | 5/15 (4) | 10 (6) | 0 |
| New Zealand | 15 (4) | 10 | 10 |
| Nigeria | 12.5/15 (4) | 12.5 | 12.5 |
| Norway | 0/5/15 (4) | 15 (6) | 0 |
| Pakistan | 10/15 (4) | 15 (6) | 0/15/20 |
| Philippines | 10/15 (4) | 10 (6) | 15 |
| Poland | 5/15 (4) | 5 (6) | 5 |
| Portugal | 15 (4) | 15 | 10 |
| Romania | 5/15 (4) | 10 (6) | 5 |
| Russia | 10 (4) | 10 (6) | 0 |
| Rwanda | 0/15 (4) | 10 (6) | 10 |
| San Marino | 0/5/15 (4) | 10 (6) | 5 |
| Senegal | 15 (4) | 15 | 10 |
| Serbia (1) | 10/15 (4) | 15 | 10 |
| Seychelles | 5/15 (4) | 5/10 | 5 |
| Singapore | 0/5/15 (4) | 5 (6) | 5 |

## 13. Double Tax Agreements (cont.)

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Slovakia | 5/15 (4) | 10 (6) | 5 |
| Slovenia | 5/15 (4) | 10 (6) | 5 |
| South Africa | 5/15 (4) | 10 (6) | 0 |
| South Korea | 5/15 (4) | 10 (6) | 10 |
| Spain | 0/15 (4) | 10 (6) | 5 |
| Sri Lanka | 15 (4) | 10 (6) | 10 |
| Sweden | 5/15 (4) | 10 (6) | 0 |
| Switzerland | 0/10/15 (5) | 0/10 (5) | 0 |
| Taiwan | 10 (4) | 10 (6) | 10 |
| Tajikistan (3) | 15 | 15 (6) | 0 |
| Thailand | 15/20 (4) | 10/25 (6) | 5/15 |
| Tunisia | 5/15 (4) | 5/10 (6) | 11 |
| Turkey | 15/20 (4) | 15 (6) | 10 |
| Turkmenistan (3) | 15 | 15 (6) | 0 |
| Ukraine | 5/15 (4) | 2/10 (6) | 0/10 |
| United Arab Emirates | 0/5/10 (4) | 5 (6) | 0/5 |
| United Kingdom | 0/10 (4) | 10 (6) | 0 |
| United States | 0/5/15 (4) | 0/15 | 0 |
| Uruguay | 5/15 (4) | 10 | 10 |
| Uzbekistan | 5/15 (4) | 10 (6) | 5 |
| Venezuela | 5/15 (4) | 10 (6) | 5 |
| Vietnam | 5/10/15 (4) | 10 (6) | 5/10/15 |

1. The treaty concluded with ex-Yugoslavia is still applicable to Bosnia-Herzegovina, Kosovo, Macedonia, Montenegro and Serbia.
2. Not applicable to Hong Kong.
3. The treaty concluded with the former USSR is still applicable to Kyrgyzstan, Moldova, Tajikistan and Turkmenistan.
4. It concerns an EU country, or the treaty contains a qualifying exchange of information clause. Hence, the rate of 0% is applicable subject to the same conditions as invoked by the Parent-Subsidiary Directive (see above). Where multiple rates apply, the difference is generally based on the percentage of participation the recipient holds (directly) in the capital of the company paying the dividends.
5. Under the Bilateral II agreement concluded between Belgium and Switzerland, a rate of 0% is applicable under certain conditions.
6. With respect to EU countries, a WHT exemption is applicable, provided that the conditions laid down in the Interest & Royalty Directive are met (see above). Furthermore, please note that some treaties contain an exemption for trade receivables or loans concluded with a governmental body.

The treaties that are currently in force are listed above. Based on the websites of the Belgian government, the following tax treaties are signed, modified or under renegotiation (including some for the exchange of information clause): Andorra, Canada, Congo, Czech Republic, Ethiopia, France, Germany, Greece, Iceland, Ireland, Isle of Man, Japan, Kenya, Macao, Malaysia, Malta, Mexico, Moldova, the Netherlands, New Zealand, Norway, Oman, Poland, Qatar, Russia, Rwanda, Spain, Switzerland, Tajikistan, Turkey, Uganda, Ukraine, the United Kingdom and Uzbekistan.



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# CYPRUS
## 2019 TAX CARD (IN EUROS)

### 1. Basis of Taxation

Income is taxed on a calendar year basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income (subject to exemptions based on domicile whereas non-residents are taxed on their Cypriot sourced income.
The main taxes levied in Cyprus are as follows:
- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT)
- stamp duty
- property tax (transfer fees)

### 2. Corporate Tax

A company resident in Cyprus is subject to corporation tax at the rate of 12,5% on taxable profits. A non-resident company is taxed on its Cyprus source income at the same rate as a resident company.

### 3. Withholding tax rate (non-treaty)

Table 3.1

| | Resident Individual | Non-resident Individual/Corporation |
|---|---|---|
| Dividends | 17% | 0 |
| Interest | 30% | 0 |
| Royalties/know-how | NA | 10% (zero if used outside Cyprus) |
| Rents (for moveable property) | NA | 0 |
| Management fees | NA | 0 |
| Technical fees | NA | 0 |
| Directors' fees | NA | 0 |

### 4. Resident individual tax rates

| Taxable Income € | Tax Payable € |
|---|---|
| 0–19,500 | Nil |
| 19,501–28,000 | Nil + 20% of excess over 19,500 |
| 28,001–36,300 | 1,700 + 25% of excess over 28,000 |
| 36,301–60,000 | 3,775 + 30% of excess over 36,300 |
| 60,001+ | 10,885 + 35% of excess over 60,000 |

### 5. Non resident individual tax rates

| Taxable Income € | Tax Payable € |
|---|---|
| 0–19,500 | Nil |
| 19,001–28,000 | Nil+ 20% of excess over 19,500 |
| 28,001–36,300 | 1,700 + 25% of excess over 28,000 |
| 36,301–60,000 | 3,775 + 30% of excess over 36,300 |
| 60,001+ | 10,885 + 35% of excess over 60,000 |

**6. Value added tax**

VAT is levied at a rate of 19% (Reduced taxes apply to certain goods and services). Businesses have to register if the annual turnover is expected to exceed €15.600.

**7. Estate duty**

Cyprus does not have death or estate taxes.

**8. Stamp duty**

Stamp duty is payable on any document relating to assets in Cyprus or any matter which shall take place in Cyprus, irrespective of the place of the creation of the document.
Rates are as follows:

| | |
|---|---|
| For amounts up to €5.000 | Nil |
| For amounts from €5.001- €170.000 | 0,15% |
| For amounts over €170.000 | 0,2% with maximum amount payable €20.000 |

**9. Property tax**

Immovable property tax was abolished in Cyprus as from 1 January 2017.
Immovable property transfer fees are payable by the buyer on the purchase of immovable property as follows:

| Value of property € | Transfer fees |
|---|---|
| Up to €85.430 | 1,5% |
| 85.431-170.860 | 2,5% |
| Over 170.860 | 4% |

**10. Income tax filing deadlines**

| Types of Form | | Deadlines |
|---|---|---|
| Tax Return | Individuals | 31 July of the following year |
| Tax Return | Companies | 31 March of the year following the tax year |

**11. Double Tax Agreements**

Cyprus has signed 64 such treaties.
For information for each country, please visit: https://www.mof.gov.cy/ird

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# CZECH REPUBLIC

## 2019 TAX CARD (IN CZECH CROWNS)

### 1. Basis of Taxation

Personal Income Tax shall be levied by individuals who have tax residents in the The Czech Republic as well as by individuals who are non-residents for tax purposes in the The Czech Republic.

Generally, the individuals are liable to declare and pay tax in the Czech Republic on their worldwide incomes (i.e. employment incomes, incomes from self-employment, rental incomes, investment incomes and capital gains and other taxable incomes).

Corporate Income Tax shall be levied by enterprises which have tax resident (i.e. the establishment) in the Czech Republic or non-resident in special cases when this liable is determined by the double tax treaty agreement.

The income tax year can be determined as the calendar year (i.e. 1 January – 31 December) or as a fiscal year (12 consecutive months).

### 2. Corporate Tax

The Czech Republic has a flat corporate tax of 19 %.

### 3. Withholding tax rate (non-treaty)

| | Resident | Non-resident Individual/Corporation |
|---|---|---|
| Dividends | 15 % | 15 % / 35 % |
| Interest | 0 % | 15 % / 35 % |
| Royalties/know-how | 0 % | 15 % / 35 % |
| Financial leasing | 0 % | 5 % |
| Rents (for moveable property) | N/A | N/A |
| Management fees | N/A | N/A |
| Technical fees | N/A | N/A |
| Directors' fees | N/A | N/A |

### 4.Residential individual tax rates

Personal Income Tax rate: 15 %

Solidarity Income Tax rate: 7 % - it is imposed on annual gross income (sum of gross employment income and taxable self-employment income/or reduced by the actual tax loss from self-employment income) exceeding CZK 1,569,552 (amount applicable for 2019). In the case of employees on Czech payroll, the solidarity tax increase is applied monthly on income.

Social security and health insurance contributions are paid by both the employer and the employee on employment income at the following rates:
(see below)

**4. Residential individual tax rates (cont.)**

| | Employer % | Employee % | Total % |
|---|---|---|---|
| Social security | | | |
| - Old-age pension | 21,5 | 6,5 | 28,0 |
| - Sickness | 2,3 | 0 | 2,3 |
| - Unemployment | 1,2 | 0 | 1,2 |
| Health insurance | 9,0 | 4,5 | 13,5 |

**5. Goods and Services tax**

**VAT Registration and Deregistration Thresholds:**

- VAT Registration: CZK 1,000,000
- Distance Selling: CZK 1,140,000
- Intra-EU acquisitions: CZK 326,000
- VAT Deregistration: turnover <CZK 1,000,000

**VAT rates:**

- Standard rate: 21 %
- Reduced rate: 15 %
- Super Reduced rate: 10 %

**VAT Return Filing Periods:**

- Turnover <CZK 10,000,000 Monthly or quarterly (optional)
- Turnover > CZK 10,000,000 Monthly

**VAT Return Filing and Payment Deadlines:**

- Paper returns (only an individual person without data box): 25 days from the period end
- Electronic returns: 25 days from the period end

**Filing Periods and Deadlines – other returns:**

- EC Sales Lists (Goods) – Filing Periods:
  * Quarterly VAT payer: Monthly
  * Monthly VAT payer Monthly

- EC Sales Lists (Services) – Filing Periods:
  * Quarterly VAT payer: Quarterly
  * Monthly VAT payer: Monthly

- EC Sales Lists – Filing deadlines:
  * Paper returns: N/A
  * Electronic returns: 25 days from the period end

**VAT Control Statement – Filing Periods:**

- Quarterly VAT payer
  * Monthly (legal person)
  * Quarterly (individual person)
- Monthly VAT payer: Monthly

**VAT Control Statement – Filing deadlines:**

- Paper returns: N/A
- Electronic returns: 25 days from the period end

| | |
|---|---|
| **6.Road tax** | Road tax is generally payable by the operator of a vehicle registered in the Czech Republic. The tax rate varies from CZK 1,200 to CZK 4,200 in the case of passenger vehicles and from CZK 1,800 to CZK 50,400 in the case of other vehicles. |
| **7. Estate tax** | Estate duty is not applicable in the Czech Republic. |
| **8. Stamp duty** | Stamp duty is not applicable in the Czech Republic. |
| **9. Real Estate Tax and Property transfer tax** | **Real Estate Tax:**<br>The tax on buildings is based on the area of land occupied. The rates range from CZK 2 to 10 for buildings. Increased rates apply in certain circumstances. Real estate tax on agricultural land is 0.75 % of the deemed value. Special rates apply for forests, lakes and ponds. For other types of land, the tax is based on the area; the rate is CZK 2 per square meters for building land, CZK 5 per square meters for improved land surface used for business and CZK 0.20 per square meters in other cases. Real estate tax is deductible for corporate income tax purposes.<br><br>**Property Transfer Tax:**<br>This tax is payable by the seller of real estate unless the parties agree that it will be paid by the buyer. The rate of tax is 4 % of the higher of the sale price and the reference value of the property. |
| **10. Energy Taxes** | Energy taxes apply to natural gas and other gases, electricity and solid fuels. Only supplies of these products delivered within the Czech Republic are subject to energy taxes. There is a wide range of exemptions (e.g. for energy used in metallurgic or mineralogical processes). In order to claim an exemption, approval needs to be obtained from the customs authority. |
| **11. Consumption Taxes** | Excise tax is imposed on entities that produce or import certain goods, including hydrocarbon fuels and lubricants, alcohol and spirits, beer, wine and tobacco products. The tax is based on the number of goods expressed in specific units and tax may be levied only once on particular goods. |
| **12. Income tax filing deadlines** | <table><tr><th>Types of Form</th><th></th><th>Deadlines</th></tr><tr><td>Tax Return</td><td>Individuals</td><td>31 March / 30 June*</td></tr><tr><td>Tax Return</td><td>Companies</td><td>Until 3 / 6* months from ending of the financial year</td></tr></table><br>*In case that the tax return is filed by the tax advisor (based on the Power of Attorney) or the corporation is obliged to have a statutory financial audit, the deadlines are prolonged. |

## 13. Double Tax Agreements

| Country | WHT (%) | | |
|---|---|---|---|
| | Dividends % | Interest %* | Royalties % |
| Resident Corporations | 15 | 0 | 0 |
| Resident Individuals | 15 | 0 | 0 |
| **Non-resident corporations and individuals:** | | | |
| **Non treaty** | 15/35 | 15/35 | 15/35 |
| **Treaty:** | | | |
| Albania | 5.15 | 0/5 | 10 |
| Armenia | 10 | 5.10 | 5.10 |
| Australia | 5.15 | 10 | 10 |
| Austria | 0/10 | 0 | 5 |
| Azerbaijan | 8 | 5.10 | 10 |
| Bahrain | 5 | 0 | 10 |
| Barbados | 5.15 | 5 | 5.10 |
| Belarus | 5.10 | 0/5 | 5 |
| Belgium | 5.15 | 10 | 0/10 |
| Bosnia | 5 | 0 | 0/10 |
| Brazil | 15 | 10.15 | 15/25 |
| Bulgaria | 10 | 0/10 | 10 |
| Canada | 5.15 | 0/10 | 0/10 |
| Chile | 15 | 5.15 | 5.10 |
| China, People's Republic of | 5.10 | 7.5 | 10 |
| Colombia | 5/15/25 | 0/10 | 10 |
| Croatia | 5 | 0 | 10 |
| Cyprus | 0/5 | 0 | 0/10 |
| Democratic People's Republic of Korea | 0/10 | 0/10 | 0/10 |
| Denmark | 0/15 | 0 | 10 |
| Egypt | 5.15 | 0/15 | 15 |
| Estonia | 5.15 | 0/10 | 10 |
| Ethiopia | 10 | 0/10 | 10 |
| Finland | 5.15 | 0 | 0/1/5/10 |
| France | 10 | 0 | 0/5/10 |
| Georgia | 5.10 | 0/8 | 5.10 |
| Germany | 5.15 | 0 | 5 |
| Greece | Local rates | 0/10 | 0/10 |
| Hong Kong | 5 | 0 | 10 |
| Hungary | 5.15 | 0 | 10 |
| Iceland | 5.15 | 0 | 10 |
| India | 10 | 0/10 | 10 |
| Indonesia | 10.15 | 0/12.5 | 12.5 |
| Iran | 5 | 5 | 8 |

**13. Double Tax Agreements (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Ireland, Republic of | 5.15 | 0 | 10 |
| Israel | 5.15 | 0/10 | 5 |
| Italy | 15 | 0 | 0/5 |
| Japan | 10.15 | 0/10 | 0/10 |
| Jordan | 10 | 0/10 | 10 |
| Kazakhstan | 10 | 0/10 | 10 |
| Korea, Republic of | 5.10 | 0/10 | 0/10 |
| Kuwait | 0/5 | 0 | 0/10 |
| Latvia | 5.15 | 0/10 | 10 |
| Lebanon | 5 | 0 | 5.10 |
| Liechtenstein | 0/15 | 0 | 10 |
| Lithuania | 5.15 | 0/10 | 10 |
| Luxembourg | 0/10 | 0 | 0/10 |
| Macedonia | 5.15 | 0 | 0/10 |
| Malaysia | 0/10 | 0/12 | 12 |
| Malta | 5 | 0 | 5 |
| Mexico | 10 | 0/10 | 10 |
| Moldova | 5.15 | 5 | 10 |
| Mongolia | 10 | 0/10 | 10 |
| Morocco | 0/10 | 0/10 | 0/10 |
| Netherlands | 0/10 | 0 | 5 |
| New Zealand | 15 | 0/10 | 10 |
| Nigeria | 12.5.2015 | 0/15 | 15 |
| Norway | 0/15 | 0 | 0/5/10 |
| Pakistan | 5.15 | 0/10 | 10 |
| Panama | 0/10 | 0/5/10 | 0/10 |
| Philippines | 10.15 | 0/10 | 10.15 |
| Poland | 5 | 0/5 | 10 |
| Portugal | 10.15 | 0/10 | 10 |
| Romania | 10 | 0/7 | 10 |
| Russia | 10 | 0 | 10 |
| Saudi Arabia | 5 | 0 | 10 |
| Serbia and Montenegro | 0/10 | 0/10 | 0/5/10 |
| Singapore | 5 | 0 | 10 |
| Slovak Republic | 5.15 | 0 | 0/10 |
| Slovenia | 5.15 | 0/5 | 10 |
| South Africa | 5.15 | 0 | 10 |
| Spain | 5.15 | 0 | 0/5 |
| Sri Lanka | 15 | 0/10 | 0/10 |
| Sweden | 0/10 | 0 | 0/5 |

**13. Double Tax Agreements (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Switzerland | 0/15 | 0 | 10 |
| Syria | 10 | 10 | 12 |
| Tajikistan | 5 | 0/7 | 10 |
| Thailand | 10 | 0/10 | 5.10.2015 |
| Tunisia | 10.15 | 0/12 | 5.15 |
| Turkey | 0/10 | 0/10 | 0/10 |
| Ukraine | 5.15 | 5 | 10 |
| United Arab Emirates | 0/5 | 0 | 10 |
| United Kingdom | 5.15 | 0 | 0/10 |
| United States | 5.15 | 0 | 0/10 |
| Uzbekistan | 5.10 | 0/5 | 10 |
| Venezuela | 5.10 | 0/10 | 12 |
| Vietnam | 10 | 0/10 | 10 |


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# FRANCE

## 2019 TAX CARD (IN EUROS)

### 1. Basis of Taxation

Income is taxed on an annual basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their French sourced income.

The main taxes levied in France could be divided into four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT,….)
- taxes on assets (registration duties, inheritance and gifts duties, real estate wealth tax ( IFI) …)
- direct local taxes (property tax, residence tax, …)

### 2. Corporate Tax

Corporation tax is a tax, (in principle payable annually, on all profits generated in France by companies and other legal entities.

- Standard rate: 33,5 %
- Reduced rate: 28% for small and medium-sized companies up to a profit of
- 500 K€
- Reduced rate: 15% up to a profit of €38.120 for small and medium-sized companies owned directly or indirectly at least by 75% of individuals

The 28% rate will be generalised to all taxpayers from 1 January 2020.
The rate should then be gradually reduced to 25% in 2022.

Corporation taxpayers whose turnover exceed €7.63m are liable to a social contribution of 3.3% of the corporation tax minus €763 000.
A system of carryback, carry forward and tax consolidation is set up in France;

French and foreign legal entities (companies, trusts,…) that hold directly or indirectly real property/properties rights located in France could be liable to a 3% annual tax based on the market value of such properties or rights (exemptions exist under certain conditions).

### 3. Withholding tax rate (non-treaty)

| | Resident individual | Non-resident Individual/Corporation | |
|---|---|---|---|
| Dividends | 12.80% | 12.80% | 30.00% |
| Interests | 12.80% | 0.00% | 0.00% |
| Royalties | 0.00% | 33.33% | 33.33% |
| Capital gain (real estate) | 19.00% | 19.00% | 33.33% |
| Salaries | | 0% -20% | - |
| Sport benefits | | 15.00% | 15.00% |
| Artist benefits | | 15.00% | 15.00% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.
On the other hand, for non-cooperative countries, the rates of certain withholding tax may be raised to 75%.

**4. Residential individual tax rates (cont.)**

Personal income tax is, in principle; a comprehensive tax levied on an individual's total income in a given year. Unless otherwise provided, all income, regardless of origin, is aggregated to give an overall net income to which a single tax scale is applied.
The scale has progressive income bands. However, there are many provisions in the method for calculating income tax that allows taxation to be adjusted to personal circumstances.

The progressive tax scale is then applied to the taxable income per part.

| The portion of taxable income (one part) | Rate |
|---|---|
| For the portion under 9.964 € | 0% |
| For the portion over 9.964 € and less than or equal to 27.519 € | 14 % |
| For the portion over 27.519 € and less than or equal to 73.779 € | 30 % |
| For the portion over 73.779 2.617€ and less than or equal to 156.244 € | 41 % |
| For the portion over 156.244 € | 45 % |

Certain types of income (for example capital gain) are taxed on a flat-rate basis at lower rates than the progressive tax scale.
From 1 January 2019, France introduced the system of prepayment of tax by withholding tax on all income from French sources, with annual regularisation through the annual income tax return.

In addition, a wealth tax ("Impôt sur la Fortune Immobilière" - IFI), is assessed when the value of real estate or similar assets owned exceed €1.300.000.

**5. Non-resident individual tax rates**

The rules relating to French incomes received by persons domiciled outside of France are in principle the same as for persons domiciled in France. However for some, income is applied a withholding tax that can in some cases be exempt from all future taxation.

**6. Goods and Services tax**

**Value Added Tax**

VAT is a general consumption tax levied on goods supplied and services provided in France.
Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is finally borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it on to his local tax office, minus the VAT on inputs paid to his own supplier.

**The French VAT rates are as follows:**

- Standard rate:: 20%
- Reduced rates: 10%, 5.5% and 2.1%
- Exemption: 0%

VAT returns and payments have to be done monthly or quarterly depending on the annual amount of VAT. VAT exemptions exist for taxable persons with low turnover.

**7. Estate duty**

Estate duties are applicable in France and are in principle payable by the beneficiary:

- when the donor or deceased is domiciled in France at the time of death: on all the deceased's movable and immovable properties worldwide (with eventual tax credit on foreign property),
- when the donor or deceased is not domiciled in France,
  - on all movable and immovable properties received by the beneficiary if he is domiciled in France or has been for at least 6 years, in the last 10 years
  - only on movable and immovable properties located in France, if the beneficiary is not domiciled in France.

Some specific assets benefit from partial or total exemption.
Fixed allowances per beneficiary can be applicable (ex : €100k per beneficiary in direct line.

Different scales of taxation exist according to the link uniting the deceased to the entitled person. In case of direct line (parents – children) the scale is as follows:

| Fraction of net taxable part | Rate (%) |
|---|---|
| up to 8,072 € | 5% |
| between €8,072 and €12,109 | 10% |
| between €12,109 and €15,932 | 15% |
| between €15,932 and €552,324 | 20% |
| between €552,324 and €902,838 | 30% |
| between €902,838 and €1,805,677 | 40% |
| over €1,805,677 | 45% |

**8. Stamp duty**

Transfer duties are applicable in France as follows:

**Sales of real property:**
- 5.80% (subject to small variations between area)

**Transfers of businesses and similar transfers:**
- Up to € 23,000: 0%
- Between € 23,000 and € 200 000: 3%
- Over € 200,000: 5%

**Transfers of shares for valuable consideration:**
- For shares and related securities: 1%
- For shares classified as "parts sociales": 3% with a maximum of 23,000 €
- For transfers of shares of real estate Cie: 5 %

**Others :**
Certain administrative formalities are also subject to small fix stamps duties.

**9. Property tax**

Property tax is levied on developed land or undeveloped land situated in France. It's levied annually on owners, except where there is an entitlement to permanent exemption or temporary exemption.

The tax base is the cadastral income, proportional to the notional rental value regularly updated by the authorities.

The tax is payable by the owner of the property at 1 January of the year of taxation. The amount of tax is calculated by multiplying the tax base by the rates voted by each beneficiary local authority for the year in question.

**10. Income tax filing deadlines**

| Types of form | Taxpayer | Deadlines (of the following year) |
|---|---|---|
| 2042 | Residential individual | Between 22th may to 5th June |
| 2042 NR | Non-residential individual | 22nd may |
| 2572 | Companies | 31st may |

**11. Double Tax Agreements**

France has signed 128 tax treaties to avoid double taxation covering more than 120 countries of which 27 are within European countries.

For more information for each of the countries, please visit: https://www.impots.gouv.fr/portail/les-conventions-internationales



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# GERMANY
## 2019 TAX CARD (In Euros)

**1. Basis of Taxation**

The liability to German income tax is determined by the tax residence status and the source of income. The residents are taxed on their worldwide income. The non-residents are taxed only on German-sourced income.

A company is resident if its seat or place of effective management is in Germany. An individual is treated as a resident if he/she has his/her permanent residence or habitual abode in Germany.

**2. Corporate Tax/ Trade tax**

The tax period is the calendar year or financial year.

The corporate tax rate is 15,825 % (including solidarity surcharge) of tax base reduced by tax loss. Limitations apply if the tax loss is above 1.000.000.

There is a trade tax in Germany as well. The trade tax varies depending on the community. The minimum rate is 7 %. The usual tax rate averages between is from 12 % up to 17 %

Company exit taxation will apply if:
- a company, tax resident in Germany moves its assets from Germany to a permanent establishment abroad, or
- a company, German tax non-resident moves its assets from the permanent German establishment abroad
- a company, tax resident in Germany relocates its seat or place of effective management to a country outside the European Union

Germany has several anti-abuse regulations in place, particular targeting certain business structure(s) and interest & royalty payments.

Germany also has comprehensive TP stipulations.

**3. Withholding tax rate (non-treaty)**

| | Resident | Non-resident | |
|---|---|---|---|
| | Individual/ Corporation | Individual | Corporation |
| Dividends | 25 % | 25 % | 25 % |
| Interest | 25 % | 25 % | 25 % |
| Royalties/know-how | NA | 30% / 15 % | 15 % |
| Rents (for moveable property) | NA | NA | NA |
| Management fees | NA | NA | NA |
| Technical fees | NA | NA | NA |
| Directors' fees | As wages | As wages | NA |

N/A: Obligation to file income tax return

**4. Resident individual tax rates**

| Taxable Income (excluding capital gains) | Tax Rate |
|---|---|
| 0 - 9,168.00 | 0 % |
| 9,169 - 55,960 | progressive tax rate; starting by 14 % up to 42 % |
| 55,961 – 265,326 | 42 % |
| 265,327 + | 45 % |

| Taxable Income (capital gains) | Tax Rate |
|---|---|
| 0.00 + | 25 % |

| Taxable Income (dividends) | Tax Rate |
|---|---|
| 0.00 + | 25 % |

The taxpayers may claim:
- social security and health care contributions,
- flat-rate deduction of 1,000 is available for employed income
- the tax bonus of a child allowance of EUR 2,490 (subsistence level) per parent per child plus a childcare allowance of 1,320 per parent per child,
- support to dependent relatives,
- special tax calculation if married.

**5. Non-resident individual tax rates**

The non-resident individual tax rates are the same as the resident individual tax rates. The scope of taxable income is different; there is no tax-free income of 9,168.
The dividend income tax rates are the same.

**6. Goods and Services tax**

The Value Added Tax is levied in Germany:
- on the supply of goods and services where the place of supply is Germany,
- on EU supply of goods for consideration from other EU Member State,
- on the import of goods from outside the European Union.

The standard rate is 19 %. The reduced rate of 7 % is applied to certain goods (for example certain foods, books, antibiotics and orthopaedic items). Some goods and services are VAT exempt (for example insurance services, financial services and cultural services).

There is a registration duty for VAT purposes.
If the taxable turnover is not expected to exceed 50,000 and did not exceed 17,500 in the prior year, the business is not obliged to charge VAT.
There are registration thresholds for so-called distance sales. The German threshold is 100,000.

**7. Estate duty**

Germany has the estate tax or the inheritance tax.

**8. Stamp duty**

Germany does not have stamp duty.

## 9. Property tax

**Real estate tax** is levied as an annual real estate tax on all immovable property by the municipal authorities. The effective tax rate is usually between 1.5% and 2.3% of historic value. The tax period is the calendar year.

The taxpayers are obligated to pay the property tax annually to the municipal authorities.

**Real estate transfer tax** is levied on the transfer of real estate, which is sited in Germany and certain transactions with companies owning real estate in Germany.

The tax rate depends on the location of the real estate. It ranges depending on the federal state between 3.5 % and 6.5 % of the tax base.

## 10. Income tax filing deadlines

| Types of Form | | Deadlines |
|---|---|---|
| Income Tax Return | Individuals | By July 31st in the year following the tax year |
| Income Tax Return | Companies | By July 31st in the year following the tax year |

* Extensions (by February 28th in the next following year after tax year) are automatically granted if advised by a tax consultant.

## 11. Double Tax Agreements

Germany concluded 96 tax treaties to avoid double taxation in the area of income tax. Germany also signed the Multilateral Instrument (the MLI) on June 7th, 2017.

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Egypt | 15 | 15 | 25 / 15 |
| Albania | 15 / 5 | 5 | 5 |
| Algeria | 15 / 5 | 10 | 10 |
| Argentina | 15 | 15 / 10 | 15 |
| Armenia | 10 / 7 | 5 | 6 |
| Azerbaijan | 15 / 5 | 10 | 10 / 5 |
| Australia | 15 / 5 | 10 | 5 |
| Bangladesh | 15 | 10 | 10 |
| Belarus | 15 / 5 | 5 | 5 / 3 |
| Belgium | 25 / 15 | 15 | 0 |
| Bolivia | 15 | 15 | 15 |
| Bosnia and Herzegovina | 15 | 0 | 10 |
| Bulgaria | 15 / 5 | 5 | 5 |
| China | 15 / 10 / 5 | 10 | 10 |
| Costa Rica | 15 / 5 | 5 | 10 |
| Côte d'Ivoire | 15 | 15 | 10 |
| Denmark | 15 / 5 | 0 | 0 |

## 11. Double Tax Agreements

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Ecuador | 15 | 15 / 10 | 15 |
| Estonia | 15 / 5 | 10 | 10 / 5 |
| Finland | 15 / 5 | 0 | 0 |
| France | 15 | 0 | N/A |
| Georgia | 10 / 5 / 0 | 0 | 0 |
| Ghana | 15 / 5 | 10 | 8 |
| Greece | 215 | 10 | 0 |
| India | 10 | 10 | 10 |
| Indonesia | 15 / 10 | 10 | 15 / 10 / 7.5 |
| Iran, Islamic Republic | 20 / 15 | 15 | 10 |
| Ireland | 15 / 5 | 0 | 0 |
| Iceland | 15 / 5 | 0 | 0 |
| Israel | 10 / 5 | 5 | 0 |
| Italy | 15 / 10 | 10 / 0 | 5 / 0 |
| Jamaica | 15 / 10 | 12.5 / 10 | 10 |
| Japan | 15 / 5 | 0 | 0 |
| Jersey | 35 / 20 / 15 | N/A | N/A |
| Canada | 15 / 5 | 10 | 10 |
| Kazakhstan | 15 / 5 | 10 | 10 |
| Kenya | 15 | 15 | 15 |
| Kyrgyzstan | 15 / 5 | 5 | 10 |
| Korea, Republic | 15 / 5 | 10 | 10 / 2 |
| Kosovo | 15 | 0 | 10 |
| Croatia | 15 / 5 | 0 | 0 |
| Kuwait | 15 / 5 | 0 | 10 |
| Latvia | 15 / 5 | 10 | 10 / 5 |
| Liberia | 15 / 10 | 20 / 10 | 20 / 10 |
| Liechtenstein | 15 / 5 / 0 | 0 | 0 |
| Lithuania | 15 / 5 | 10 | 10 / 5 |
| Luxemburg | 15 / 5 | 0 | 5 |
| Malaysia | 15 / 5 | 10 | 7 |
| Malta | 15 / 5 | 0 | 0 |
| Morocco | 15 / 5 | 10 | 10 |
| Mauritius | 15 / 5 | 0 | 10 |
| Macedonia | 15 / 5 | 5 | 5 |
| Mexico | 15 / 5 | 10 / 5 | 10 |
| Moldavia, Republic | 15 | 5 | 0 |
| Mongolia | 10 / 5 | 10 | 10 |
| Montenegro | 15 | 0 | 10 |
| Namibia | 15 / 10 | 0 | 10 |

## 11. Double Tax Agreements

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| New Zealand | 15 | 10 | 10 |
| Netherlands | 15 / 10 | 0 | 0 |
| Norway | 15 / 0 | 0 | 0 |
| Austria | 15 / 5 | 0 | 0 |
| Pakistan | 15 / 10 | 20 / 10 | 10 |
| Philippines | 15 / 10 / 5 | 10 | 10 |
| Poland | 15 / 5 | 5 | 5 |
| Portugal | 15 | 15 / 10 | 10 |
| Romania | 15 / 5 | 3 | 3 |
| Russian Federation | 15 / 5 | 0 | 0 |
| Zambia | 15 / 5 | 10 | 10 |
| Sweden | 15/ 0 | 0 | 0 |
| Switzerland | 15 / 5 | 0 | 0 |
| Serbia | 15 | 0 | 10 |
| Zimbabwe | 20 / 10 | 10 | 7,5 |
| Singapore | 15 / 5 | 8 | 8 |
| Slovakia | 15 / 5 | 0 | 5 |
| Slovenia | 15 / 5 | 5 | 5 |
| Spain | 15 / 5 | 0 | 0 |
| Sri Lanka | 15 | 10 | 10 |
| South Africa | 15 / 5 | 0 | 0 |
| Syria | 10 / 5 | 10 | 12 |
| Tadzhikistan | 15 / 5 | 0 | 5 |
| Thailand | 20 / 15 | 25 | 15 / 5 |
| Trinidad and Tobago | 20 / 10 | 15 / 10 | 10 |
| Czech Republic | 15 / 5 | 0 | 5 |
| Tunisia | 15 / 5 | 0 | 5 |
| Turkey | 15 / 5 | 10 | 10 |
| Turkmenistan | 15 / 5 | 10 | 10 |
| Ukraine | 10 / 5 | 5 / 2 | 5 |
| Hungary | 15 / 5 | 0 | 0 |
| Uruguay | 15 / 5 | 10 | 10 |
| Uzbekistan | 15 / 5 | 5 | 5 / 3 |
| Venezuela | 15 / 5 | 5 | 5 |
| United Arab Emirates | 15 / 10 / 5 | 0 | 10 |
| UK | 15 / 5 | 0 | 0 |
| USA | 15 / 5 | 0 | 0 |
| Vietnam | 15 / 10 / 5 | 10 | 10 |
| Cyprus | 15 / 5 | 0 | 0 |

# GREECE
## 2019 TAX CARD (IN EUROS)

### 1. Basis of Taxation

The liability to Greek income tax is determined by the tax residence status and the source of income. The Greek tax residents are taxed on their worldwide income. The tax non-residents are taxed only on income which arises to them from Greek-source.

A company is a resident if its seat or place of effective management is considered in Greece. An individual is treated as resident if he has his permanent residence or habitual abode or lives for at least 183 days in each calendar year in Greece.

The main taxes levied in Greece, could be divided in four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT)
- taxes on assets (registration duties, inheritance and gifts duties, real estate wealth tax ( IFI)
- direct local taxes (property tax, residence tax, …)

### 2. Corporate Tax

The tax period is the calendar year or financial year.

The corporate tax rate is 28% In 2019, 27% in 2020, 26%i n 2021 and 25% in 2022. The tax loss of the previous years is decreasing the taxable income of the year.

The taxation upon leaving the country (exit tax) will apply if:

- the company, tax resident in Greece moves its assets from Greece to its permanent establishment abroad, or
- the company, Greek tax non-resident moves its assets from the Greek permanent establishment to its centre in another country or to its permanent establishment abroad.

Taxation is calculated in a special tax base, whereas the tax base must be positive. The tax rate is 29 % and will change in the next years, as mentioned above. There are special conditions for calculation, tax period as well as due date and penalties.

The thin cap rules are in force in Greece. Interests from loans exceeding 3.000.000 euro per year are tax deductible only up to the amount of 30% of EBITDA indicator, i.e. accounting result before depreciation, interest and tax. These rules do not relate to the financial institutions and leasing companies.

### 3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|---|---|
| Dividends | 10 % |
| Interest | 15 % |
| Royalties/ know-how | 20 % |
| Rents (for moveable property) | 28 % |
| Management fees | 20 % |
| Technical fees | 3 % |
| Directors' fees | As salaries |

**3. Withholding tax rate (non-treaty) (cont.)**

There is no withholding tax in the dividends, if the shareholder
a) Is EU resident,
b) has more than 10% and
c) for more than two years

**4. Residential individual tax rates (cont.)**

Personal income tax is in principle a comprehensive tax levied on an individual's total income in a given year. Unless otherwise provided, all income, regardless of origin, is aggregated to give an overall net income to which a single tax scale is applied.
The scale has progressive income bands.

The progressive tax scale is then applied to the taxable income per part.

| Taxable Income (excluding capital gains) | Tax Rate |
|---|---|
| 0.00 – 20.000 | 22 % |
| 20.001-30.000 | 29 % |
| 30.001-40.000 | 37% |
| 40.001+ | 45% |

| Taxable Income (excluding capital gains)- Additional tax | Tax Rate |
|---|---|
| 0.00 – 12.000 | 0 % |
| 12.001-20.000 | 2,20 % |
| 20.001-30.000 | 5,00% |
| 30.001-40.000 | 6,50% |
| 40.001-65.000 | 7,50% |
| 65.001-220.000 | 9,00% |
| 220.001+ | 10,00% |

| Taxable Income (capital gains) | Tax Rate |
|---|---|
| 0.00 + | 20 % |

| Taxable Income (dividends) | Tax Rate |
|---|---|
| 0.00 + | 15 % |

| Income from rent of land/houses/ apartments | Tax Rate |
|---|---|
| 0.00 – 12.000 | 15 % |
| 12.001-35.000 | 35 % |
| 35.001+ | 45% |

In Greece, they are also paid social and health insurance contributions.

**5. Non-resident individual tax rates**

The non-resident individual tax rates are the same as the resident individual tax rates. The non-resident is taxable for the income in Greece, only.

**6. Goods and Services tax**

The Value Added Tax is levied in Greece:
- On the supply of goods and services for consideration performed in Greece by taxable persons,
- On the Intra-Community supply of goods for consideration from other EU Member State,
- On the imports of goods.

**6. Goods and Services tax (cont.)**

The standard rate is 24 %. The reduced rate of 13 % is applied to certain goods (for example basic foodstuffs, antibiotics and orthopaedic items). Some goods and services are VAT exempt (for example insurance services, financial services and cultural services). Super reduced rate of 6% is applied for medicine and books.

If the taxable turnover within the last 12 calendar months will reach the registration threshold of EUR 10.000 the taxable persons are obligated to register for VAT purposes. The taxable persons who supply real properties have to register for VAT if the legal conditions are met. The voluntary VAT registration is possible.

**7. Estate duty**

Greece does have the estate tax or the inheritance tax.
The tax is charged as follows:

a) For individuals
1. between 1,20 and 13,00 euro per square meter based on the price of the place.
2. a supplementary tax is paid, based on the total value of the price.

b) For legal entities
1. a tax 0,1% on the value of the property is applied
2. a supplementary tax is paid, based in the total value of the price

**8. Stamp duty**

Fees are applied based on the type of activity.

**9. Property taxes**

The real estate tax consists of the land tax, building tax and apartment tax. The persons liable for payment of property tax are the owners of property or in certain cases the property managers.

The tax period is the calendar year. The tax return must be filed by 30 days after the purchase of the property.
The taxpayers are obligated to pay the property tax annually to the municipal authorities.

The tax for the purchase of the property amounts to to 3% on the value of the land, building or apartment.
The estate tax is mentioned in the previous paragraph (8).
The inheritance tax is starting from 0% up to 40%.

**10. Income tax filing deadlines**

| Type of form | | Deadlines* |
|---|---|---|
| Income Tax Return | Individuals | By June 30th in the year following the tax year |
| Income Tax Return | Companies | By June 30th in the year following the tax year |

* Various extensions are available for lodgement up to March / April / May / June / September in the year following the tax year.

## 13. Double Tax Agreements

Greece concluded 57 tax treaties to avoid double taxation. Slovakia also signed the Multilateral Instrument (the MLI) on June 7th, 2017.

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Albania | 5% | 5% | 5% |
| Armenia | 10% | 10% | 5% |
| Austria | 5% or 15% | 8% | 7% |
| Azerbaijan | 8% | 8% | 8% |
| Belgium | 5% or 15% | 5% or 10% | 5% |
| Bosnia and Herzegovina | 5% or 15% | 10% | 10% |
| Bulgaria | 40% or 10% | 10% | 10% |
| Canada | 5% or 15% | 10% | 10% |
| China | 5% or 10% | 10% | 10% |
| Croatia | 5% or 10% | 10% | 10% |
| Cyprus | 25% | 10% | 0% or 10% |
| Czech Republic | 10% | 10% | 10% |
| Denmark | 38% or 18% | 8% | 5% |
| Egypt | 10% | 15% | 15% |
| Esthonia | 5% or 15% | 10% | 5% or 10% |
| Finland | 47% or 13% | 10% | 10% |
| France | 10% | 10% | 5% |
| Georgia | 8% | 8% | 5% |
| Germany | 25% | 10% | 0% |
| Hungary | 10% or 45% | 10% | 10% |
| Iceland | 5% or 15% | 8% | 10% |
| India | 10% | 15% | 20% |
| Ireland | 5% or 15% | 5% | 5% |
| Israel | 10% | 10% | 10% |
| Italy | 15% | 10% | 5% |
| Korea | 5% or 15% | 8% | 10% |
| Kuwait | 5% | 5% | 15% |
| Latvia | 5% or 10% | 5% | 5% or 10% |
| Lithuania | 5% or 15% | 10% | 5% or 10% |
| Luxembourg | 38% or 7,5% | 8% | 5% or 7% |
| Malta | 5% or 10% | 8% | 8% |
| Mexico | 10% | 10% | 10% |
| Moldova | 5% or 15% | 10% | 8% |
| Morocco | 5% or 10% | 10% | 10% |
| Netherlands | 5% or 15% or 35% | 8% or 10% | 5% or 7% |
| Norway | 20% or 40% | 10% | 10% |

**13. Double Tax Agreements (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Poland | 10% | 10% | 10% |
| Portugal | 15% | 15% | 10% |
| Qatar | 5% | 5% | 5% |
| Romania | 20% or 45% | 10% | 5% or 7% |
| Russia | 5% or 10% | 7% | 7% |
| San Marino | 5% or 10% | 10% | 5% |
| Saudi Arabia | 5% | 5% | 10% |
| Serbia | 5% or 15% | 10% | 10% |
| Slovakia | 15% | 10% | 10% |
| Slovenia | 10% | 10% | 10% |
| South Africa | 5% or 15% | 8% | 5% or 7% |
| Spain | 5% or 10% | 8% | 6% |
| Sweden | 10% | 10% | 5% |
| Switzerland | 5% or 15% | 10% | 5% |
| Tunisia | 10% or 35% | 15% | 12% |
| Turkey | 15% | 12% | 10% |
| UAE | 5% | 5% | 5% |
| Ukraine | 5% or 10% | 10% | 10% |
| United Kingdom | 10% | 0% | 0% |
| USA | 10% | 15% | 20% |
| Uzbekistan | 8% | 10% | 8% |



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# HUNGARY

## 2019 TAX CARD (In Hungarian Forints)

| | |
|---|---|
| **1. Basis of Taxation** | Both central and local governments levy taxation in Hungary. While central taxes constitute the revenues of the state budget; local taxes are due to the municipalities.<br><br>Central taxes may be divided into general and special categories based on their intended purpose.<br><br>General taxes include the traditional tax types:<br>• corporate income tax,<br>• value added tax,<br>• personal income tax.<br><br>Special taxes include the tax types levied on specific industries/sectors:<br>• income tax of energy utilities,<br>• levies on financial organisations and credit institutions,<br>• credit institution contribution,<br>• energy tax,<br>• public utility tax,<br>• telecommunication tax,<br>• advertisement tax,<br>• public health product tax<br>• etc. |
| **2. Corporate Income Tax** | In Hungary, the corporate tax rate is 9 % of the tax base.<br><br>Companies are obliged to pay corporate income tax on the revenues obtained from economic activities performed for profit on a regular basis and other similar gainful activities.<br><br>Taxpayers with Hungarian residence are obliged to pay corporate tax on their worldwide income (unlimited tax liability).<br>Non-resident businesses only need to pay tax on the income from their Hungarian activities (limited tax liability).<br><br>Hungary grants tax credits related to funding, film making and performance acts, certain spectacle team sports, for business growth, for energy efficient investments and for small and medium businesses. |
| **3. Withholding tax rate (non-treaty)** | Under the domestic rules, there is no withholding tax rate on dividends, interest, or royalties paid to non-individuals. |

| | |
|---|---|
| **4. Residential individual tax rates (cont.)** | In the case of employees of a Hungarian company: Tax advances are deducted at source each month by the resident employer and paid over to the tax authorities by the 12th day of the following month. Quarterly income tax advances are payable by the individual on the 12th day, following each quarter's end in respect of income received from a non-Hungarian company or, where there was no tax withholding at a Hungarian company (employer or another payer).<br><br>Hungary has a flat tax rate of 15%. |
| **5. Non-resident individual tax rates** | **In case of a non-resident:**<br>His or her income may be taxable if it is a Hungarian-sourced income (paid out locally or the income is taxable in Hungary due to domestic or tax treaty rules).<br><br>**In case of employment income taxable in Hungary of a non-resident:**<br>The income is taxable in Hungary only in proportion to the Hungarian working days.<br><br>**If the Hungarian company is the payer:**<br>The company is obliged to withhold tax advances.<br>Anyway, it is the obligation of the individual.<br><br>Hungary has a flat tax rate of 15%. |
| **6. Goods and Services tax** | The Hungarian VAT Act is consistent with the EU VAT Directive that, in certain cases, allows member states to use their discretion as to the transposition of the given provision into their national law.<br><br>The scope of the VAT Act covers the:<br>• supply of goods and services in Hungary,<br>• sale and acquisition of goods within the European Community,<br>• exportation and importation of goods and,<br>• exportation and importation of services.<br><br>The general tax rate in Hungary is 27% and there are two reduced tax rates in use: 5% and 18%. |
| **7. Estate duty** | **Duty on onerous transfers of property**<br><br>**The subject matter of the duty:**<br>Acquisition of real estate, valuable rights and interest and tangible assets specified by law is subject to property transfer tax. The duty is payable by the party acquiring the property.<br>The following valuable rights and interests and tangible assets are subject to this duty:<br>• acquisition of valuable rights and interests related to real estate and the acquisition of assets resulting from the termination of such rights and interests,<br>• transfer of the right of usufruct for real estate,<br>• acquisition of tangible assets at public auctions,<br>• acquisition of the title or valuable right of a motor vehicle or a trailer,<br>• acquisition of the title or valuable right of a superstructure not qualifying as property and located in a public area,<br>• acquisition of securities by a contract of inheritance,<br>• acquisition of capital contribution (stocks, business shares, co-operative shares, investor's shares, converted investor's shares) of a business association that owns real estate in Hungary. |

**7. Estate duty (cont)**

**The rate of the duty:**

The regular rate of the property transfer tax is 4% of the market value of the acquired property or the acquired capital contribution in a business association owning real estate in Hungary if the value is below HUF 1 billion per real estate, and 2% on the remaining part but no more than HUF 200 million per real estate. The tax base of the property transfer tax for residential properties is the market value of the real estate and the tax rate is 4% on a standard basis. When acquiring the title to a motor vehicle, the tax depending on the power of the engine and the age of the vehicle is between 300 HUF/kW and 850 HUF/kW.

Exemption: among others, the following are exempt from duty obligation:

- the acquisition of ownership of a flat newly constructed by an entrepreneur for sale,
- the acquisition of ownership of (an ownership share in) land suitable for the construction of a residential property and the acquisition of property rights established on such property if, within 4 years of the presentation of the relevant contract for the assessment of the duty payable, the party acquiring the property builds a residential property and the useful area of the flat(s) in the constructed building reaches at least 10% of the maximum site coverage defined in the town development plan and the party acquiring the property declares its intention to build a residential property until the effective date of the duty payment order at the latest,
- the acquisition of real estate or a contribution in a company owning domestic real estate under a preferential transfer of assets,
- the transfer between related parties of real estate or a contribution in a company owning domestic real estate if the main activity of the party acquiring the property is the leasing, operation or sale and purchase of real estate,
- the acquisition of real estate under a lease-back arrangement,
- the transfer of property in a transaction between lineal relatives and spouses,
- the acquisition of property as a result of the termination of the marital community property.

**Inheritance and gift duties**

The subject matter of the duty: The inheritance and gift duty is a tax on wealth acquired as a result of a person's death or a gift.

Persons liable to pay the duty: The heir and the person receiving the gift.

The rate of the duty: A standard 18% rate applies to duty on inheritance and gifts, while a duty of 9% is payable on the free-of-charge acquisition of residential property and relating property rights.

Exemption: Inheritance and gifts between lineal relatives and spouses and inheritance by the surviving spouse and lineal relatives are exempt from this duty.

**Procedural duty**

The subject matter of the duty: As a general rule, a procedural duty or procedural service fee is payable for administrative procedures while a procedural duty is payable for court procedures.
Persons liable to pay the duty: The person initiating the procedure. The duty is payable for each petition.
Duty base, duty rate: The duty is either assessed as a function of the value of the subject matter of the procedure or as an itemised charge.

**8. Stamp duty**

Court and administrative procedures are subject to procedural fees, but no stamp duty is levied on the conclusion and other agreements.

**9. Property tax**

The local government may or may not levy property taxes, and also that the rates vary for each municipality.

**Building Tax**

Regardless of what they are intended or utilised for, both residential and non-residential buildings and structures may set building tax obligations for the taxpayer.

Taxpayer: The owner on January 1st is subject to tax. In the case of more owners, they need to pay tax according to their proportions of shares in the building.

Tax rate: Depending on the local government's decision, building tax is either calculated by:

- the useful space in m2 (maximum amount payable is HUF 1,100 / square metre)
- or adjusted market value (maximum 3.6% of the adjusted market value of the building).

Deadline for payment: The building tax is due annually in two instalments:

- by 15th March and;
- by 15th September.

**Land Tax**

The land tax may be levied on idle land on the portion classified as a 'downtown area' by the local government council and is paid by the owner of the land.

Taxpayer:
The owner on January 1st may be subject to land tax.

Tax rate:
Depending on the local government's decision, land tax is either calculated by:

- the land's area in m2 (maximum tax rate is HUF 200 / square metre) decreased by the structure's space on the land itself
- or the adjusted market value of the land (maximum 3% of the adjusted market value of the land).

Deadline for payment:
The land tax is due annually in two instalments:

- by 15th March and;
- by 15th September.

**10. Income tax filing deadlines**

| Types of form | Deadlines (of the following year) |
|---|---|
| Personal Income Tax | by 20 May of the following year |
| Value Added Tax | - if filing monthly: by the 20th day of the following month;<br>- if filing quarterly: by the 20th day of the month following the quarter;<br>- if filing annually: by 15 February of the following tax year |
| Corporate Income Tax | by 31 May of the following year |

## 11. Double Tax Agreements

Hungary has signed double-taxation treaties with the following countries

| Country | Promulgated |
|---|---|
| Albania | Act XCI of 1996 |
| Armenia | Act X of 2010 |
| Australia | Act XXXVI of 1993 |
| Austria (bequest, inheritance) | Decree Law 1 of 1976 |
| Austria | Decree Law 2 of 1976 |
| Azerbaijan | Act LXXXIX of 2008 |
| Bahrain | Act XLIX of 2014 |
| Belarus | Act CXII of 2004 |
| Belgium | Cabinet Council Decree 20 (18 April) of 1984 |
| Bosnia and Herzegovina | Decree Law 6 of 1988 |
| Brazil | Act XXVII of 1992 |
| Bulgaria | Act XCII of 1996 |
| Canada | Act XVI of 1995 |
| Canada (amending minutes) | Act XII of 1999 |
| China | Act XV of 1999 |
| Croatia | Act XVIII of 2000 |
| Cyprus | Cabinet Council Decree 82 (29 December) of 1982 |
| Czech Republic | Act XCIII of 1996 |
| Denmark | Act LXXXIII of 2011 |
| Egypt | Act XVII of 1995 |
| Estonia | Act CXXVIII of 2004 |
| Finland | Cabinet Council Decree 66 (16 December) of 1981 |
| France | Cabinet Council Decree 65 (16 December) of 1981 |
| Georgia | Act XIV of 2012 |
| Germany | Act LXXXIV of 2011 |
| Greece | Cabinet Council Decree 33 (1 July) of 1985 |
| Hong Kong | Act CXXIX of 2010 |
| Iceland | Act CXLV of 2005 |
| India | Act CXLIV of 2005 |
| Indonesia | Act X of 1999 |
| Ireland | Act XI of 1999 |
| Israel | Act LXIII of 1993 |
| Italy | Cabinet Council Decree 53 (22 December) of 1980 |
| Japan | Decree Law 18 of 1980 |
| Kazakhstan | Act XIV of 1999 |
| Kosovo | Act CLXXXVII of 2013 |
| Kuwait | Act XVI of 1999 |
| Kuwait (amending minutes) | Act LXX of 2003 |

**11. Double Tax Agreements**

| Country | Promulgated |
|---|---|
| Latvia | Act CXXX of 2004 |
| Liechtenstein | Act CL of 2015 |
| Lithuania | Act CXXIX of 2004 |
| Luxemburg | Act XCV of 1990 |
| Luxemburg | Act XCI of 2015 |
| Macedonia | Act XXXV of 2002 |
| Malaysia | Act LX of 1993 |
| Malta | Act LXVII of 1993 |
| Mexico | Act CXLV of 2011 |
| Moldova | Act XVIII of 1999 |
| Mongolia | Act LXXXII of 2000 |
| Montenegro | Act XXV of 2003 |
| Morocco | Act VIII of 2002 |
| Norway | Cabinet Council Decree 67 (16 December) of 1981 |
| Pakistan | Act II of 1996 |
| Philippines | Act XVII of 2000 |
| Poland | Act XCV of 1996 |
| Poland (amending minutes) | Act XXVII of 2002 |
| Portugal | Act XIX of 2000 |
| Qatar | Act XV of 2012 |
| Romania (inheritance) | Decree Law 16 of 1949 |
| Romania | Act XCIX of 1996 |
| Russian Federation | Act XXI of 1999 |
| San Marino | Act CXXXII of 2010 |
| Saudi Arabia | Act LII of 2014 |
| Serbia | Act XXV of 2003 |
| Singapore | Act XXI of 2000 |
| Slovakia | Act C of 1996 |
| Slovenia | Act CXLVI of 2005 |
| South Africa | Act VII of 1999 |
| South Korea | Act XXVIII of 1992 |
| Spain | Cabinet Council Decree 12 (10 March) of 1988 |
| Sweden | Cabinet Council Decree 55 (22 October) of 1982 |
| Sweden (inheritance) | Act XXVI of 1937 |
| Switzerland | Decree Law 23 of 1982 |
| Taipei | Act CXXXIII of 2010 |
| Thailand | Governmental Decree 13 (25 July) of 1990 |
| The Netherlands | Cabinet Council Decree 10 (10 March) of 1988 |
| Tunisia | Act XXVIII of 1999 |
| Turkey | Act CI of 1996 |
| Ukraine | Act XXX of 1999 |

**11. Double Tax Agreements**

| Country | Promulgated |
|---|---|
| United Arab Emirates | Act CLXI of 2013 |
| United Kingdom | Act CXLIV of 2011 |
| United States of America | Cabinet Council Decree 49 (6 December) of 1979 |
| United States of America (new) | Act XXII of 2010 |
| Uruguay | Act XXXI 1999 |
| Uzbekistan | Act XC of 2008 |
| Uzbekistan (amending minutes) | Act XXVIII of 2015 |
| Vietnam | Act CII of 1996 |



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# IRELAND

## 2019 TAX CARD (In Euros)

| | |
|---|---|
| **1. Basis of Taxation** | Income is taxed for individuals on a calendar year basis and for corporates based on their accounting period date. Taxpayers are required to submit tax returns on a self-assessment basis.<br><br>In general terms, residents are taxed on their worldwide income whereas non-residents are taxed on their Irish sourced income. In the case of resident individuals, who are non-Irish domiciled, they may avail of the remittance basis of taxation in respect of non-Irish source investment income and the income derived under a foreign contract of employment where the duties of employment are exercised outside of Ireland. Reliefs are available under Irelands extensive double tax treaty network.<br><br>Resident individuals are taxed on capital gains on a worldwide basis. This is with the exception of non-domiciled individuals, who are taxed on gains derived outside Ireland only as the capital is remitted to Ireland. Non-resident individuals are taxed on gains on certain Irish situate assets, such as Irish situate land and buildings and unquoted shares deriving their value from such.<br><br>In the case of corporates, resident companies are taxed on worldwide income and gains. A corporate not resident in Ireland but carrying on a trade through a branch there will be taxable on the trading income from this, and on gains from Irish property.<br><br>Different rules apply to determine the tax residence of corporates depending on whether they were incorporated pre or post 1 January 2015. For companies incorporated in Ireland after this date, they will be treated as an Irish resident, unless they would be held to be otherwise resident under a tax treaty. There are transitional rules in place for companies incorporated in Ireland before 1 January 2015, until they will also be subject to the standard position from 1 January 2021. Under the transitional rules, the place of residence for such companies will be determined by their place of central management and control. There is an exception to this where there is both a change in ownership and a major change in the nature of the business, and the standard rule will apply from the point of such change.<br><br>In the case of corporates incorporated outside Ireland, their residence will be determined by their place of management and control. |
| **2. Corporate Tax** | There are two rates of tax for corporates<br><br>• 12.5% for trading income<br>• 25% for passive/investment income<br><br>The lower rate may only apply where a company is actively trading in Ireland, and there have been numerous test cases on the nature of trading. Where it is determined that there is not sufficient trading substance in Ireland, the higher rate would be applied. |

**2. Corporate Tax (cont)**

The lower rate may also apply in the case of dividend income received from a trading company, in certain circumstances.

There is the facility to use losses to reduce prior period profits, current year passive income (on a value basis), future profits from the same trade, or profits within another company in a corporate group structure.

An additional surcharge tax may apply where investment income is retained in a company post year end. A separate surcharge applies in the case of a company in which a professional service is undertaken.

**3. Withholding tax rate (non-treaty)**

| | Resident individual | Non-resident Individual /corporation | |
|---|---|---|---|
| Dividends | 20% | 20% | 20% |
| Interests | 20% | 20% | 20% |
| Royalties | 20% | 20% | 20% |
| Capital gain (Certain specified assets such as land and buildings where consideration above threshold and pre clearance not obtained) | 15% | 15% | 15% |
| Salaries (including social insurance charges) | - | 0% - 52% | - |

The withholding tax rates may be reduced to zero in cases where the recipients are located in another EU Member State or in a double tax treaty country. This is subject to prior clearance being obtained from the Irish tax authorities.

**4. Resident individual tax rates**

In general terms, an individuals total income is pooled and subject to Income Taxes at progressive rates. This is with the exception of deposit interest income which is ring-fenced at a rate of 35% plus social insurance of 4%. An individual will be entitled to certain tax credits to reduce their tax charge

There are two rates of Income Tax. A standard rate of 20% applies on income up to €35,300 (single), €44,300 (married, one income) and €44,300 plus up to €26,300 (married, two incomes). Income above these thresholds is taxed at 40%.

In addition, there are social insurance charges in the form of PRSI (4%) and USC (Progressive rates from 0.5% to 8%, with a further 3% charge in the case of non-employment income above €100,000).

Income from employment exercised in Ireland or from director fees will be subject to payroll taxes, which will be applied at source by the employer.
There is no wealth tax in operation in Ireland.

**5. Non-resident individual tax rates**

The rates of tax are as set out for individuals, the exceptions being that a non-resident can only be assessed as a single person unless both spouses income will be subject to Irish tax, and there is limited scope to claim credits. They will not be subject to PRSI (4%) on passive income. Lastly, a retention of 20% must be applied in the case of non-residents deriving rental income from Irish property. This may be eliminated where an Irish based collection agent is appointed, who will be responsible for the filing and payment of taxes.

| | |
|---|---|
| **6. Goods and Services tax** | VAT is a tax on the provision of goods and services by Irish businesses, which is levied regardless of the status of the Irish consumer (i.e. business or private individual)<br>The Irish VAT rates are as follows:<br>• Standard rate: 23%<br>• Reduced rates: 9% and 13.5%<br>• Zero rates with recovery: 0%<br>• Exempt<br><br>The VAT thresholds in place are €37,500 for the supply of services and €75,000 for the supply of goods. A business may elect to register if they are below these thresholds but are not obliged to do so.<br><br>A business must register where they make an intra-community acquisition of goods or services regardless of turnover.<br><br>The threshold for registration where a business makes distance sales of goods to Irish private customers is €35,000.<br><br>Periodic VAT returns are filed, with the standard basis being bi-monthly. This is reduced to a lesser frequency after a period of time if the liability/repayment is a minor amount. |
| **7. Gift/ Inheritance Taxes** | Capital Acquisitions Tax is a tax payable at the rate of 33% by a beneficiary on the receipt of a gift or inheritance.<br><br>The tax is levied where the donee or beneficiary is Irish resident, or if the item transferred is Irish situate. There are exceptions where the recipient is not Irish domiciled, in these cases they will not be subject to this tax for the first 5 years of residence.<br><br>The tax is levied on the amount received less a threshold determined by the relationship between both parties. These thresholds are<br><br>• €320,000 (received by a child)<br>• €32,500 (received by a parent, sibling, niece/nephew, grandparent (or other lineal ascendant), grandchild (or other lineal descendant)<br>• €16,250 (all other persons)<br><br>All prior benefits received since December 1991 are aggregated in looking at how much of the threshold has expired.<br><br>An annual €3,000 exemption applies to gifts, this is available multiple times between different parties. Significant reliefs are available for the transfer of certain business or agricultural assets. |
| **8. Stamp duty** | There are a number of rates of Stamp Duty on documents executed in Ireland or relating to property located in Ireland or things to be done in Ireland.<br><br>**Residential Property**<br>First €1,000,000: 1%<br>Excess over €1,000,000: 2% |

| | |
|---|---|
| **8. Stamp duty (cont.)** | **Non-Residential Property:** 6%<br><br>**Transfer of Shares:** 1% (this does not apply if the consideration is €1,000 or less and it does not form part of a series of transactions)<br><br>There are reliefs available in certain circumstances in the cases of group restructuring and intragroup transfers. |
| **9. Property tax** | A property tax applies on residential property at graduating rates depending on the property value. Residential property is defined as any building or part of a building which is used as or is suitable for use as a residence. It includes any yard, gardens, driveway or other land associated with the property up to one acre in size. It also includes any other buildings or structures that belong with the residence such as garages and sheds.<br><br>A person is liable to this tax where they held the property at 1 November in the preceding year. The value of the property for the purposes of the charge is currently frozen based on declared values in 2013.<br><br>There are a limited number of exemptions available, which relate to a small range of properties. |
| **10. Income tax filing deadlines** | For individuals, the return pay and file deadline is 31 October in the year following the return year. There is a requirement to make an advance payment of tax in the current year.<br><br>For corporates, the return pay and file deadline will depend on their accounting period end, and will be 8 months and 21 days following this, for example, 21 September for a 31 December period. There is a requirement to pay tax in advance one month before the period end (for small companies) and during the 6th month of the period along with one month before the end of the period (for large companies i.e. those with prior period tax liabilities exceeding €200,000). |
| **11. Income tax filing deadlines** | Ireland has signed double tax treaties with 74 countries, 73 of these are currently in effect.<br><br>A list of the agreements can be found at<br><br>https://www.revenue.ie/en/tax-professionals/tax-agreements/double-taxation-treaties/index.aspx |

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# ISRAEL
## 2019 TAX CARD (In Shekels)

### 1. Basis of Taxation

Since 2003, every Israeli resident has to pay tax in respect of his income that was generated or accrued in Israel and outside of Israel. In contrast, a foreign resident is liable to tax only on his income that was produced or accrued in Israel.

A company is a resident if its seat or place of effective management is considered in Israel. An individual is treated as resident if he has his permanent residence or habitual abode, or lives for at least 183 days in each calendar year in Israel, or stayed in Israel at least 30 days in the tax year and a total of 425 days in the last three years.

### 2. Corporate Tax

The tax period is the calendar year.

The corporate tax rate is 23 % of tax base reduced by tax loss.

### 3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|---|---|
| Dividends | 25-30 % |
| Interest | 15- 20 % |
| Royalties/ know-how | 10-47 % |
| Rents (for moveable property) | 10-47 % |
| Management fees | 10-47 % |
| Directors' fees | As wages |

### 4. Resident individual tax rates

| Taxable Income (excluding capital gains) | Tax Rate |
|---|---|
| 0.0 - 75,720 | 10% |
| 75,720 -108,600 | 14% |
| 108,600 -174,360 | 20% |
| 174,360 -242,400 | 31% |
| 242,400 - 504,360 | 35% |
| 504,360 - 649,560 | 47% |
| 649,560+ | 50% |

| Taxable Income (capital gains) | Tax Rate |
|---|---|
| 0.00 + | 25 % |

| Taxable Income (dividends) | Tax Rate |
|---|---|
| 0.00 + | 25-30 % |

**5. Non-resident individual tax rates**

The non-resident individual tax rates are the same as the resident individual tax rates. The scope of taxable income is different.
The dividend income tax rates are 0-25 % (treaty) and 30 % (non-treaty).

**6. Goods and Services tax**

Value Added Tax is levied in Israel:
On the supply of goods and services for consideration performed in Israel by taxable persons,

The standard rate is 17 %.
Some goods and services are VAT exempt (for example fruits and vegetables).

**7. Estate duty**

Israel does not have an estate tax or inheritance tax.

**8. Stamp duty**

Israel does not have stamp duty.

**9. Property tax**

Israel does not have a property tax but has real estate purchase tax. This is a tax rate of 8% in the part of the value up to Nis 1,696,750 is not taxable at all, and thereafter tax brackets of 3.5%, 5%, 8%, 10%. But this benefit is granted only to an Israel resident. Ostensibly, a foreign resident who purchases an apartment in Israel and is the only apartment in Israel is charged at high tax rates.

A foreign resident is entitled to benefit from tax rates on the purchase of his only apartment in Israel (even if he has an apartment abroad) as long as he immigrated to Israel for the first time ( or returns after 10 years of residency). Or a temporary A/1 VISA or temporary residence permit, he is entitled to enjoy a purchase tax rate of only 0.5% on the part of the value up to Nis 1,788,285, while the balance of the value-purchase tax at the rate of 5%.

**10. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| Income Tax Return | Individuals | By March 31st in the year following the tax year |
| Income Tax Return | Companies | By March 31st in the year following the tax year |

* Various extensions are available for lodgement up to April / May / June / September in the year following the tax year.

**11. Double Tax Agreements**

Israel concluded 58 tax treaties to avoid double taxation.

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

**11. Double Tax Agreements**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Australia | 15 | 10 | 10 |
| Austria | 10 | 0 | 0 or 5 |
| Belarus | 0 or 10 or 15 | 0 or 10 | 0 or 5 or 10 |
| Belgium | 5 or 15 | 0 or 10 | 0 or 5 |
| Bosnia and Herzegovina | 5 or 15 | 0 | 10 |
| Brazil | 15 | 10 or 15 | 15 or 25 |
| Bulgaria | 0 or 10 | 0 or 10 | 0 or 10 |
| Canada | 5 or 10 or 15 | 10 | 0 or 10 |
| Croatia | 5 or 10 | 10 | 10 |
| Cyprus | 10 | 10 | 0 or 5 |
| Czech Republic | 5 or 15 | 0 | 0 or 5 or 10 |
| Denmark | 15 | 0 | 0 or 5 |
| Estonia | 10 | 10 | 10 |
| Finland | 5 or 15 | 0 | 0 or 1 or 5 or 10 |
| France | 10 | 0 | 0 or 5 |
| Georgia | 0 | 5 | 5 |
| Germany | 5 or 15 | 0 | 5 |
| Greece | 19 | 10 | 0 or 10 |
| Hungary | 0 or 5 or 15 | 0 | 0 or 10 |
| China | 10 | 10 | 10 |
| China (Taiwan) | 10 | 10 | 5 or 10 |
| Iceland | 5 or 10 | 0 | 10 |
| India | 15 or 25 | 15 | 30 |
| Indonesia | 10 | 10 | 10 or 15 |
| Ireland | 0 or 10 | 0 | 0 or 10 |
| Israel | 5 or 10 | 2 or 5 or 10 | 5 |
| Italy | 15 | 0 | 0 or 5 |
| Japan | 10 or 15 | 10 | 0 or 10 |
| Kazakhstan | 10 or 15 | 10 | 10 |
| Korea | 5 or 10 | 10 | 0 or 10 |
| Kuwait | 0 | 10 | 10 |
| Latvia | 10 | 10 | 10 |
| Libya | 0 | 10 | 5 |
| Lithuania | 10 | 10 | 10 |
| Luxembourg | 5 or 15 | 0 | 0 or 10 |
| Macedonia | 5 | 10 | 10 |
| Malta | 5 | 0 | 5 |
| Moldova | 5 or 15 | 10 | 10 |
| Mongolia | 0 | 0 | 0 |
| Netherlands | 0 or 10 | 0 | 5 |
| Nigeria | 12.5 or 15 | 15 | 10 |

**11. Double Tax Agreements**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Norway | 5 or 15 | 0 | 0 or 5 |
| Poland | 0 or 5 or 10 | 0 or 5 or 10 | 0 or 5 |
| Portuguese | 10 or 15 | 10 | 10 |
| Romania | 0 or 10 | 0 or 10 | 0 or 10 or 15 |
| Russian Federation | 0 or 10 | 0 | 0 or 10 |
| Serbia and Montenegro | 5 or 15 | 0 or 10 | 10 |
| Singapore | 5 or 10 | 0 | 10 |
| Slovenia | 5 or 15 | 10 | 10 |
| South Africa | 5 or 15 | 0 | 10 |
| Spain | 5 or 15 | 0 | 0 or 5 |
| Sri Lanka | 15 | 10 | 0 or 10 |
| Sweden | 0 or 10 | 0 | 0 or 5 |
| Switzerland | 0 or 5 or 15 | 5 or 10 | 0 or 5 or 10 |
| Syria | 5 | 10 | 12 |
| Tunis | 10 or 15 | 12 | 5 or 15 |
| Turkey | 5 or 10 | 10 | 10 |
| Turkmenistan | 10 | 10 | 10 |
| Ukraine | 0 or 10 | 0 or 10 | 0 or 10 |
| United Kingdom | 5 or 15 | 0 | 0 or 10 |
| United Mexican States | 0 | 10 | 10 |
| USA | 5 or 15 | 0 | 0 or 10 |
| Uzbekistan | 10 | 10 | 10 |
| Vietnam | 5 or 10 | 10 | 5 or 10 or 15 |



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# ITALY
## 2019 TAX CARD (In Euros)

### 1. Basis of Taxation

Income is taxed on an annual basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their Italian sourced income.
The main taxes levied in Italy could be divided into four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT,….)
- taxes on assets (registration duties, inheritance and gifts duties)
- direct local taxes (property tax)

### 2. Corporate Tax

Corporation tax is a tax, in principle payable annually, on all profits generated in Italy by companies and other legal entities.

The tax period is the calendar year or financial year.

A system of carryback, carry forward and tax consolidation is set up in Italy.

Taxation is calculated in a special tax base, whereas the tax base must be positive. The tax rate is 24 %. There are special conditions for calculation.

### 3. Withholding tax rate (non-treaty)

| | Resident | Non-resident/Corporation | |
|---|---|---|---|
| | | Individual | Corporation |
| Dividends | 26% | 26% | 26% |
| Interest | 26% | 26% | 26% |
| Royalties | 20% | 30% | 30% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.
On the other hand, for non-cooperative countries, the rates of certain withholding tax may be raised to 75%.

### 4. Resident individual tax rates

Personal income tax is in principle a comprehensive tax levied on an individual's total income in a given year. Unless otherwise provided, all income, regardless of origin, is aggregated to give an overall net income to which a single tax scale is applied.
The scale has progressive income bands. However, there are many provisions in the method for calculating income tax that allows taxation to be adjusted to personal circumstances.

The progressive tax scale is then applied to the taxable income per part.

| The portion of taxable income (one part) | Rate |
|---|---|
| For the portion under 15.000 € | 23% |
| For the portion over 15.000 € and less than or equal to 28.000 € | 27 % |
| For the portion over 28.000 € and less than or equal to 55.000 € | 38 % |
| For the portion over 55.000 € and less than or equal to 75.000 € | 41 % |
| For the portion over 75.000 € | 43 % |

**4. Resident individual tax rates (cont.)**

Certain types of income (for example capital gain) are taxed on a flat-rate basis at lower rates than the progressive tax scale.

**5. Non-resident individual tax rates**

The rules relating to Italian incomes received by persons domiciled outside Italy are in principle the same as for persons domiciled in Italy.

**6. Goods and Services tax**

Value added tax

VAT is a general consumption tax levied on goods supplied and services provided in Italy.
Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is finally borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it on to his local tax office, minus the VAT on inputs paid to his own supplier.

The Italian VAT rates are as follows:

- Standard rate: 22%
- Reduced rates: 4% and 10%
- Exemption: 0%

VAT returns and payments have to be done monthly or quarterly depending on the annual amount of VAT.
VAT exemptions exist for taxable persons with low turnover.

**7. Estate duty**

Estate duties are applicable in Italy and are in principle payable by the beneficiary:

- when the donor or deceased is domiciled in Italy at the time of death: on all the deceased's movable and immovable properties worldwide (with eventual tax credit on foreign property),

- when the donor or deceased is not domiciled in Italy only on movable and immovable properties located in Italy, if the beneficiary is domiciled in Italy.

Some specific assets benefit from partial or total exemption.
Fixed allowances per beneficiary can be applicable.

Different scales of taxation exist according to the link uniting the deceased to the entitled person:

| Relationship | Fraction of net taxable part |
|---|---|
| Spouse and relatives in straight line | between € 0 and €1,000,000: 0%<br>over € 1,000,000: 4% |
| Brothers and sisters | between € 0 and €1,000,000: 0%<br>over € 1,000,000: 6% |
| Relatives up to the fourth degree | 6% |
| Others | 8% |

| | |
|---|---|
| **8. Stamp duty** | Fees are applied but they usually are in the insignificant amount. |
| **9. Property tax** | Property tax is levied on developed land or on undeveloped land situated in Italy. It's levied annually on owners, except where there is an entitlement to permanent exemption or temporary exemption.<br><br>The tax base is the cadastral income, proportional to the notional rental value regularly updated by the authorities.<br><br>The tax is payable by the owner of the property at 1 January of the year of taxation. The amount of tax is calculated by multiplying the tax base by the rates voted by each beneficiary local authority for the year in question. |
| **10. Income tax filing deadlines** | Taxpayer: Residential individual — Deadlines (of the following year): 31 October<br>Taxpayer: Non-residential individual — Deadlines (of the following year): 31 October<br>Taxpayer: Companies — Deadlines (of the following year): 31 October |
| **11. Double Tax Agreements** | Italy has signed 97 tax treaties to avoid double taxation.<br><br>For information for each countries, please visit :<br><br>https://www.finanze.gov.it/opencms/it/fiscalita-comunitaria-e-internazionale/convenzioni-e-accordi/convenzioni-per-evitare-le-doppie-imposizioni/ |


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# LIECHTENSTEIN

## 2019 TAX CARD (In Swiss Francs)

### 1. Basis of Taxation

The Liechtenstein income tax year runs from 1 January to 31 December for individuals. For companies, the tax year corresponds to the accounting year.

**Corporate Taxation:** Tax liability - unlimited based on the place of residence or place of effective administration in Liechtenstein, or limited by domestic property or business establishment.

**Individual Taxation:** Personal tax liability - unlimited based on residence or habitual residence in Liechtenstein, or limited by domestic property or establishment.

### 2. Corporate Tax

The corporate tax rate is 12.5% (article 61 of the SteG).

A minimum corporate tax is levied in the amount of CHF 1'800.00 (article 62 of the SteG). The tax is fully deductible against the corporate income tax.

However, small commercial entities (as defined by the law) are not subject to the minimum corporate income tax.

Under the Liechtenstein corporate income tax system, dividends distributed to resident and non-resident shareholders are not taxable.

### 3. Withholding tax rate (non-treaty)

| | Resident | Non-resident Individual/Corporation |
|---|---|---|
| Dividends | NA | NA |
| Interest | NA | NA |
| Royalties/know-how | NA | NA |
| Rents (for moveable property) | NA | NA |
| Management fees | NA | NA |
| Technical fees | NA | NA |
| Directors' fees | NA | 12% |
| Technical fees | N/A | N/A |
| Directors' fees | N/A | N/A |

There is a withholding tax of 12% on payments for the remuneration of non-executive directors, i.e. persons who are only members of the supervisory board.

### 4. Resident individual tax rates

(for financial years ending 31 December 2019)

Tax rate: 0% to 24% on the taxable income (depending on acquisition and community affiliation). There are different tax rates for single parents, married and other taxpayers. There is a state tax as well as a municipal tax. The tariff of the state tax proceeds progressively in eight stages with a top tariff level of 8%. The council tax is levied by means of a surcharge to the determined state tax. This supplement ranges from 150% to 250% of the state tax and is set annually by each municipality within this framework at its discretion.

| | |
|---|---|
| **5. Non-resident individual tax rates** (for financial years ending 31 December 2019) | Tax rate: 4% to 19% on the taxable income (depending on earned income). There are different tax rates for single parents and married couples. A distinction is made between public and private employment as well as frontier workers and not frontier workers, taking into account the respective DTT agreements. |
| **6. Goods and Services tax** | VAT is levied at a rate of 2.5%, 3.7% and 7.7%. Entities have to register once turnover reaches CHF 100'000.00 (Swiss Francs 150,000 for non-profit entities).<br><br>From 1 January 2018, companies domiciled abroad, who render supplies and services, regardless of turnover, must also register for VAT. |
| **7. Estate duty** | Liechtenstein does not have death or estate taxes. In exceptional circumstances, a deduction tax of 10.5% on the estate may apply. |
| **8. Stamp duty** | Public limited companies, limited liability companies and companies with shared capital, are the tax subject of the stamp duty. are the tax subject of the stamp duty. The stamp duty of 1.0% is due for a capital injection with an exemption limit of CHF 1 million. Deposits without a capital increase cannot benefit from the exemption threshold of CHF 1 million. |
| **9. Property tax** | The seller of a property situated in Liechtenstein has to pay a property profit tax on the property profit. The property profit equals the difference between the sales proceeds and investment costs. The tax rate is 0% to 24%. The recoveries are subject to income tax. |
| **10. Income tax filing deadlines** | Types of Form / Deadlines*<br>Tax Return – Individuals – 20 April<br>Tax Return – Companies – 1 July<br><br>*In certain cases, if the provisional tax liability has been settled, an extension of the deadline can be requested. |
| **11. Double Tax Agreements** | Several international tax treaties have been put in place to evasion with foreign countries to avoid double taxation. (see attached list, DTT = DBA) |

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# NETHERLANDS

## 2019 TAX CARD (In Euros)

### 1. Basis of Taxation

Income is taxed on an annual basis, and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income, whereas non-residents are taxed on their Dutch sourced income.

The main Dutch taxes can be divided into four categories:

1. taxes on income (personal income tax, wage tax and corporate income tax, withholding taxes);
2. taxes on expenditure (VAT);
3. taxes on assets (inheritance and gift tax, transfer tax…);
4. local taxes (property tax, residence tax...)

### 2. Taxes on Income

**Personal Income Tax:**

Residents are subject to personal income tax in respect of their worldwide net income. Under the income tax regime, income is divided into three separate categories of income (the three boxes), each of which is governed by its own rules.

**Box 1: (living and working)** covers business and employment income and income from the main private residence. Regarding box 1, tax is calculated by applying a progressive tax rate schedule to taxable income.

The Dutch government is set to reduce the number of income tax brackets down to two in 2021. In 2019, however, three bands will operate as follows.

| Bracket | Euros | Income tax rate | Social security | Totalty |
|---|---|---|---|---|
| 1 | 0 - 20,384 | 9.00% | 27.65% | 36,65% |
| 2 | 20,385 - 34,300 | 10.45% | 27.65% | 38,10% |
| 3 | 34,301 - 68,507 | 38,10% | | 38,10% |
| 4 | 68,508 + | 51,75% | | 51,75% |

As the overview above shows, in addition to personal income tax, Dutch social security contributions are paid at a rate of 27.65 (up to € 34,300 / bracket 1 and 2) or 9.75% for pension-age residents.

**Box 2: (substantial interest)** includes income and gains from substantial shareholdings (5% minimum holding) at a tax rate of 25%.

**Box 3: (savings and investments)** covers income from capital. A flat tax rate of 30 per cent is applicable on deemed income from savings and investments. The deemed income depends on the total value of assets and liabilities on 1 January of the tax year and is calculated as follows.

2. Taxes on Income (cont.)

The Dutch tax system entitles each resident in the Netherlands to a tax-free capital threshold of € 30,360 in 2019 (or € 60,720 for fiscal partners).

| Savings/investment amount | Considered return | Effective tax rate |
|---|---|---|
| 30,360 –102,010 | 1.94% (x 30% tax) | 0.58% |
| 102,011 – 1,020,096 | 4.45% (x 30% tax) | 1.34% |
| 1,020,096+ | 5.60% (x 30% tax | 1.68% |

### Wage Tax

Wage tax is payable by:

- person's resident in the Netherlands receiving a wage or salary from an employer established in the Netherlands for work they are doing or have done;
- person's resident abroad receiving a wage or salary from an employer established in the Netherlands for work they are doing or have done in the Netherlands;
- person's resident abroad who are members of the board of management or the supervisory board of a company established in the Netherlands for work they are doing or have done;
- person's resident abroad receiving a wage or salary from a Dutch public corporation for work they are doing or have done;
- non-resident artists and professional sportsmen who in accordance with an agreement of short duration or pursuance of any short term cause or reason perform in the Netherlands;

except where the Netherlands has not been granted the right to collect taxes under an agreement to prevent double taxation.

Many persons pay only wage tax and are not subject to personal income tax. For persons with a high income or many tax-deductible items, the wage tax serves as an advance levy on personal income tax. The rates are progressive (see above: Box 1, the overview). Some costs can be deducted and tax-free allowances can be provided.

The Netherlands has a special tax facility for expats working in the Netherlands. It is known as the 30% ruling. If the necessary requirements are met, the employer is allowed to grant a tax-free allowance up to 30% of the remuneration subject to Dutch wage tax. This allowance is considered to be a compensation for extra-territorial expenses an expatriate incurs when working in a foreign country. If the 30% ruling has been granted, most expats will not have to deal with box 2 and box 3.

### Corporate Income Tax

A private or public limited company (B.V. or N.V.) pays corporate income tax (CIT) on the taxable profit in a single financial year. The taxable profit can be reduced if the company has any deductible losses. A company may offset losses with future profits or the profit from the previous year. The company offsets losses initially against the profit from the previous year (carryback). If this is not possible, the company may offset its losses with future profits (carry forward), which is limited in years.

| Bracket | Euro | CIT |
|---|---|---|
| 1 | 0 - 200,000 | 19% |
| 2 | 200,000+ | 25% |

**2. Taxes on Income (cont.)**

If the company's activities are innovative and the company is making a profit then the company may be able to put the profit from these activities in a special tariff box on its corporate income tax return: the innovation box. In that case, the company pays less tax. It is conditional that the company has a (foreign) patent or applies for the R&D payroll tax allowance (WBSO).

As part of the Tax Plan 2019, the following measures have been introduced.

- From 2019, the CIT rate for public and private limited companies (B.V. and N.V.) is gradually being reduced over the coming three years:

| Euro | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|
| 0 - 200,000 | 20% | 19% | 16,50% | 15,00% |
| 200,000+ | 25% | 25% | 22,55% | 20,50% |

- The time allowed to carry forward losses (offset them against future profits) is limited to just six years instead of nine. So, if a company suffered a loss in 2018, it is allowed to carry it forward until 2027. If a company suffers a loss in 2019, it will have to deduct it in 2025 at the latest.

- Companies are no longer allowed to use buildings in company use for depreciation in their corporate income tax return from 2019 unless these buildings are in the company books for a value that exceeds the Valuation of Immovable Property (WOZ) value. This brings this measure into line with the regulation for buildings used as an investment property.

**Withholding Taxes**

The Netherlands levies withholding tax (WHT) on dividends from Dutch companies, not on interests or royalty payments.

Dividends from Dutch companies are generally subject to a 15% Dutch dividend WHT. In some cases, the WHT rate is lower, for example, due to tax treaties it could be 5%.

Subject to meeting the conditions for the participation exemption, a Dutch company or branch of a foreign company is exempt from Dutch tax - such as WHT on dividends - on all benefits connected with a qualifying shareholding, including cash dividends, dividends in kind, bonus shares, hidden profit distributions, capital gains and currency exchange results.

Within the framework of tackling international tax avoidance, a tax at source is also going to be introduced on 1 January 2021 on interest and royalty payments to countries with very low taxes, countries on the EU-list of non-cooperative jurisdictions and in certain tax abuse situations.

**3. Taxes on expenditure - VAT)**

The value-added tax system (VAT) in the Netherlands corresponds with that used by all other EU-states. VAT is a general consumption tax levied on goods supplied and services provided in the Netherlands.

**3. Taxes on expenditure - VAT) (cont.)**

Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer.

VAT is finally borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer etc.) collects the tax provided from the customer and pays it on to his local tax office minus the VAT on inputs paid to his own supplier. If an exemption applies, VAT payments are not deductible.

| The VAT rates in the Netherlands: | | |
|---|---|---|
| standard rate | | 21% (input tax deductible) |
| reduced rates: | a. certain goods and services such as food, water, repairment of bicycles | 9% (input tax deductible) |
| | b. certain goods and services such as export of goods to non-EU countries, international passenger transport | 0% (input tax deductible) |
| exemption | certain goods and services such as investment gold, real estate, health care, education | input tax non-deductable |

**4. Taxes on assets**

### Inheritance Tax

Inheritance tax has to be paid on any inheritance a heir receives. An inheritance consists of the net estate left by a deceased person. This is the value of all moveable and fixed assets minus outstanding debts and funeral costs. The assets include: (1) all gifts donated within 180 days before death ànd (2) proceeds of life insurance, if the law obliges the deceased to contribute to such insurance.

Part of the inheritance is exempt from tax. The precise amount depends on the heir's relationship to the deceased person. The inheritance tax has to be paid on the amount exceeding the exemption.

| Exemptions | Euro |
|---|---|
| Spouse / partner | 650,913 depending on pension values |
| Children and grandchildren | 20,616 |
| Sick and disable children | 61,840 |
| Parents• | 48,821 |
| All others | 2,173 |

| Inheritance tax rates | | |
|---|---|---|
| Spouse / partner and children | a. 0 – 124,727 | 10% |
| | b. 124,728+ | 20% |
| Grandchildren | a. 0 – 124,727 | 18% |
| | b. 124,728+ | 36% |
| All others | a. 0 – 124,727 | 30% |
| | b. 124,728+ | 40% |

If a business is inherited, inheritance tax has to be paid on its value. If the heir continues to run the business, the heir could qualify for the business succession scheme and pays less or no inheritance tax.

Charities and social welfare community organizations are exempted from inheritance tax in the Netherlands.

**4. Taxes on assets (cont.)**

Certain foreign nationals will be subject to double taxation, meaning they are liable to pay taxes in The Netherlands and their home country. With several countries, the Netherlands has concluded tax treaties to avoid double taxation.

### Gift Tax

Gift tax is levied on donations in the Netherlands.

| Exemptions | Euro | |
|---|---|---|
| Annual donations to your children | | 5,428 |
| A one-time donation to your child at the age of 18 – 40 | free disposable | 26,040 |
| | expensive study | 54,246 |
| A one-time donation to your child at the age of 18 – 40 to be spent on their privately owned primary residence | | 102,010 |
| Annual donations to other recipients | | 2,173 |
| A one-time donation to other recipients at the age of 18-40, to be spent on their privately owned primary residence | | 102,010 |

**Gift tax rates:**
The gift tax rates are the same as the inheritance tax rates
If a business is donated, gift tax has to be paid on its value. If the beneficiary continues to run the business, he could qualify for the business succession scheme (also applicable to gifts) and pays less or no gift tax. Charities and social welfare community organizations are exempted from gift tax in The Netherlands.

### Transfer tax

Transfer tax is levied on the transfer of:

- property (for example a house, building or land)
- rights to property (for example building lease)
- shares in a legal entity (B.V., N.V.) or participation in a partnership which possessions exist mostly of real estate.

The Dutch Tax Department uses two tax rates. The tax rate of 2% applies to houses and associated appurtenances. The tax rate of 6% applies to all other property.

**5. Tax Agreements / Double Taxation (Avoidance) Decree**

To avoid that income or capital is taxed more than once, the Netherlands has concluded tax treaties with a considerable number of countries. In the event the Netherlands has not concluded a tax treaty with the country concerned, the Double Taxation (Avoidance) Decree (2001) applies. Application of this Decree will also result in the avoidance of double taxation. Tax treaties do not include any rules for the levy of national insurance contributions. Other (international) rules apply to this. Also with regard to the avoidance of double inheritance and gift tax (separate tax treaties; Double Taxation (Avoidance) Decree).



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# NORWAY
## 2019 TAX CARD (In Euros)

### 1. Basis of Taxation

The liability to Norwegian income tax is determined by the tax residence status and the source of income. The Norwegian tax residents are taxed on their worldwide income. The tax non-residents are taxed only on income which arises to them from Norwegian source.

A company is a resident if its seat or place of effective management is considered in Norway. An individual is treated as resident if he has his permanent residence or habitual abode or lives for at least 183 days in each calendar year in Norway.

### 2. Corporate Tax

The tax period is the calendar year or financial year.

The corporate tax rate is 22 % of tax base reduced by tax loss.

The taxation upon leaving the country (exit tax) will apply if:
- the company, tax resident in Norway moves its assets from Norway to its permanent establishment abroad, or
- the company, Norwegian tax non-resident moves its assets from the Norwegian permanent establishment to its centre in another country or to its permanent establishment abroad.

Taxation is calculated in a special tax base, whereas the tax base must be positive. The tax rate is 22 %. There are special conditions for calculation, tax period as well as due date and penalties.

The thin cap rules are not in force in general in Norway, only when it comes to taxes. There are quantitative limitations for tax-deductable interests from loans from related parties. Interests to related parties are tax deductable only up to the amount of 25% of EBITDA indicator, i.e. accounting result before depreciation, interest and tax and applies when external and internal interest in sum > NOK 5 million (= € 526 300). These rules do not relate to financial institutions.

### 3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|---|---|
| Dividends | 31,68 % |
| Interest | 22 % |
| Royalties/ | 20% |
| know-how | 22 % |
| Rents (for moveable property) | 22 % |
| Management fees | 22 % |
| Technical fees | 22 % |
| Directors' fees | As wages |

**4. Resident individual tax rates**

| Taxable Income (excluding capital gains) | Tax Rate |
|---|---|
| 0.00 – 17.789,47 | 22% |
| 17.789,47 - 25.042,10 | 32,1% |
| 25.042,10 – 62.952,63 | 34,4% |
| 62.952,63 – 101.268,42 | 43,4 % |
| 101.268,42 + | 46,4% |

| Taxable Income (capital gains) | Tax Rate |
|---|---|
| 0.00 + | 22 % |

| Taxable Income (dividends) | Tax Rate |
|---|---|
| 0.00 + | 31,68 % |
| | |

The taxpayers may claim:

- the tax bonus when one dependent child in the amount of EUR 219 per month and EUR 131 for every extra child for child care expenses,
- the personal allowance in the amount of EUR 5.763,16 if certain conditions are met,
- the spouse allowance is no longer applicable to Norway.

In Norway, there is also mandatory payments for social and health insurance contributions.

**5. Non-resident individual tax rates**

The non-resident individual tax rates are the same as for the resident individual tax rates. The scope of taxable income is different.
The dividend income tax rates are 15 % (treaty) and 25 % (non-treaty).

**6. Goods and Services tax**

The Value Added Tax is levied in Norway:

- On the supply of goods and services for consideration performed in Norway by taxable persons,
- On the imports of goods.

The standard rate is 25 %. The reduced rate of 15 % or 12% is applied to certain goods (for example basic foodstuffs, books, antibiotics and orthopaedic items) and services (bus/taxi/inland flight, cultural events). Some goods and services are VAT exempt (for example insurance services and financial services).

If the taxable turnover within the last 12 calendar months will reach the registration threshold of EUR 5.263 the taxable persons are obligated to register for VAT purposes. The taxable persons who supply real properties have to register for VAT if the legal conditions are met. The voluntary VAT registration is possible when not ordinary VAT registration is possible for the business.

**7. Estate duty**

Norway does not have the estate tax or the inheritance tax.

**8. Stamp duty**

Fees are applied but they usually are in the insignificant amount.

**9.Property tax**

The real estate tax consists of the land tax, building tax and apartment tax. The persons liable for payment of property tax are the owners of the property.

The tax period is the calendar year. The tax return must be filed by April 30th in the year following the year in which the tax liability arises.
The taxpayers are obligated to pay the property tax annually to the municipal authorities.

The general rate of the land tax is 0.2 – 0,7 % of the land value. The general rate of the building tax is different from region to region per square metre as the tax authorities value each property individually. Some communities have no property tax depending on local governments/politics.

**10. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| Income Tax Return | Individuals | By April 30th in the year following the tax year |
| Income Tax Return | Companies | By May 31st in the year following the tax year |

* Various extensions are available for lodgement up to April / May / June in the year following the tax year.

**11. Double Tax Agreements**

Norway concluded 93 tax treaties to avoid double taxation. Norway also signed the Multilateral Instrument (the MLI) on June 7th, 2017.

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Albania | 15 | 0 | 0 |
| Argentina | 15 | 0 | 0 |
| Aserbajdan | 15 | 0 | 0 |
| Australia | 15 | 0 | 0 |
| Austria | 15 | 0 | 0 |
| Bangladesh | 15 | 0 | 0 |
| Barbados | 15 | 0 | 0 |
| Belgium | 15 | 0 | 0 |
| Benin | 20 | 0 | 0 |
| Bosnia and Herzegovina | 15 | 0 | 0 |
| Brazil | 25 | 0 | 0 |
| Bulgaria | 15 | 0 | 0 |
| Canada | 15 | 0 | 0 |
| Chile | 15 | 0 | 0 |
| China | 15 | 0 | 0 |

**11. Double Tax Agreements**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Croatia | 15 | 0 | 0 |
| Cyprus | 15 | 0 | 0 |
| Czech Republic | 15 | 0 | 0 |
| Denmark | 15 | 0 | 0 |
| Egypt | 15 | 0 | 0 |
| Estonia | 15 | 0 | 0 |
| Finland | 15 | 0 | 0 |
| France | 15 | 0 | 0 |
| Faroe Islands | 15 | 0 | 0 |
| Gambia | 15 | 0 | 0 |
| Georgia | 10 | 0 | 0 |
| Germany | 15 | 0 | 0 |
| Greece | 20 | 0 | 0 |
| Greenland | 15 | 0 | 0 |
| Hungary | 10 | 0 | 0 |
| Iceland | 15 | 0 | 0 |
| India | 10 | 0 | 0 |
| Indonesia | 15 | 0 | 0 |
| Ireland | 15 | 0 | 0 |
| Israel | 15 | 0 | 0 |
| Italy | 15 | 0 | 0 |
| Ivory Coast | 15 | 0 | 0 |
| Jamaica | 15 | 0 | 0 |
| Japan | 15 | 0 | 0 |
| Kazakhstan | 15 | 0 | 0 |
| Kenya | 25 | 0 | 0 |
| Korea | 15 | 0 | 0 |
| Kuwait | 15 | 0 | 0 |
| Latvia | 15 | 0 | 0 |
| Liechtenstein | 15 | 0 | 0 |
| Lithuania | 15 | 0 | 0 |
| Luxembourg | 15 | 0 | 0 |
| Macedonia | 15 | 0 | 0 |
| Malawi | 15 | 0 | 0 |
| Malaysia | 0 | 0 | 0 |
| Malta | 15 | 0 | 0 |
| Mexico | 15 | 0 | 0 |
| Moldova | 15 | 0 | 0 |
| Morocco | 15 | 0 | 0 |
| Mongolia | 15 | 0 | 0 |
| Montenegro | 15 | 0 | 0 |

**11. Double Tax Agreements**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Nepal | 15 | 0 | 0 |
| Netherlands | 15 | 0 | 0 |
| New Zealand | 15 | 0 | 0 |
| Nigeria | 15 | 0 | 0 |
| Pakistan | 15 | 0 | 0 |
| Phillipines | 25 | 0 | 0 |
| Poland | 15 | 0 | 0 |
| Portugal | 15 | 0 | 0 |
| Qatar | 15 | 0 | 0 |
| Romania | 10 | 0 | 0 |
| Russian Federation | 10 | 0 | 0 |
| Senegal | 16 | 0 | 0 |
| Serbia and Montenegro | 15 | 0 | 0 |
| Singapore | 15 | 0 | 0 |
| Slovakia | 15 | 0 | 0 |
| Slovenia | 15 | 0 | 0 |
| South Africa | 15 | 0 | 0 |
| South Korea | 15 | 0 | 0 |
| Spain | 15 | 0 | 0 |
| Sri Lanka | 15 | 0 | 0 |
| Sweden | 15 | 0 | 0 |
| Switzerland | 15 | 0 | 0 |
| Tanzania | 20 | 0 | 0 |
| Thailand | 15 | 0 | 0 |
| Tunis | 20 | 0 | 0 |
| Turkey | 15 | 0 | 0 |
| Uganda | 15 | 0 | 0 |
| Ukraine | 15 | 0 | 0 |
| United Kingdom | 15 | 0 | 0 |
| United Mexican States | 15 | 0 | 0 |
| USA | 15 | 0 | 0 |
| Venezuela | 10 | 0 | 0 |
| Vietnam | 15 | 0 | 0 |
| Zambia | 15 | 0 | 0 |
| Zimbabwe | 20 | 0 | 0 |



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# POLAND

## 2019 TAX CARD (In POLISH ZLOTYS)

### 1. Basis of Taxation

Income taxes:

- tax-residents individuals and corporations are taxed on their worldwide income;
- non-residents individuals and corporations are taxed on their Polish income;
- the standard income tax year runs from January 1 to December 31. However, the tax year of corporations matches their statutory year.

Other main taxes are VAT, inheritance and gifts tax (estate duty), stamp duty and real estate local tax.

### 2. Corporate Tax

Polish resident company are taxed on their worldwide income. Non-residents company are taxed on certain income sourced in Poland.

The following tax rates apply to companies:

- 19% - standard flat rate;
- 9% - flat rate for companies which gross sales in the previous and current year did not exceed EUR 1,2 million and for companies in the first tax year of activity. 9% rate doesn't apply to capital gains.

Income obtained from qualified intellectual property rights might be taxed on special terms with a 5% rate (so-called IP Box).

Special way of taxation of income from real estate (excluding some residential building which are being rented within public social schemes) with its initial book value exceeding PLN 10 million (so-called minimum income tax). Owners of such estate have to pay a tax of 0,035% in excess of above PLN 10 million of book value of real estate per month.

Generally, excluding some kinds of agricultural production, farming is not subject to income tax. There is a special agricultural tax for farming activities.

Apart from the corporate income tax, financial institutions in Poland also pay special special tax based on the value of assets.

In 2019, as the result of the implementation of EU Anti-Tax Avoidance Directive (2016/1164), a special tax on income from unrealized gains was introduced in Poland (so-called exit tax). It is applicable in case of transferring of assets abroad or changing of tax residence. The tax rate is 19%.

### 3. Withholding tax rate (non-treaty)

| | Individuals | Corporation |
|---|---|---|
| Dividends | 19% | 19% |
| Interest | 19% | 20% |
| Royalties/know-how | 20% | 20% |
| Rents (for moveable property) | 20% | 20% |
| Management fees | 20% | 20% |
| Technical fees | 20% | 20% |
| Directors' fees | 20% | 20% |

**4. Resident individual tax rates**

| Taxable Income (PLN) | Tax Payable (PLN) |
|---|---|
| 0–8000 | Nil |
| 8000–85528 | 18% |
| 85528 and over | 15395,04 + 32% of excess over 85528 |

There are plans of lowering the 18% tax rate to 17% but it is not yet legislated.

Individuals running business activity may choose special rules of taxation with 19% flat tax rate.

From 1 January 2019, individuals who obtain in a tax year income exceeding PLN 1 million pay also solidarity tax. The rate of solidarity tax is 4%. Solidarity tax applies to the excess of income over PLN 1 million per tax year.

There are optional tax schemes for individuals running small businesses or renting property.

In 2019, as the result of the implementation of EU Anti-Tax Avoidance Directive (2016/1164), a special tax on income from unrealized gains was introduced in Poland (so-called exit tax). It is applicable in case of transferring assets abroad or changing of tax residence. The tax rate is 19% and 3%.

**5. Non-resident individual tax rates**

| Taxable Income (PLN) | Tax Payable (PLN) |
|---|---|
| 0–8000 | Nil |
| 8000–85528 | 18% |
| 85528 and over | 15395,04 + 32% of excess over 85528 |

**6. Goods and Services tax**

The threshold for mandatory VAT registration is sales turnover of PLN 200 000 in current and precedent year.

The standard rate of VAT tax is 23%. The reduced rates are 8%, 5% or 0%.

VAT rules in Poland are based on EU regulations and should comply with them.

**7. Estate duty**

Estate duty applies to inheritances and gifts received by individuals. Tax rates vary from 3% to 20% depending on the relationship between the receiver and the person from whom the inheritance or gift is received.

Inheritance and gifts between close family (spouses, descendants, ancestors, siblings, stepchildren, stepparents) are exempted from tax.

**8. Stamp duty**

Some transactions are subject of civil transaction tax (e.g. sale of assets or rights, exchange of assets or rights, loans, mortgage, articles of association of company).

The tax rates vary from 0,5% to 2% depending on the kind of transaction.

Civil transaction tax doesn't apply to transactions taxed with VAT.

**9. Property tax**

Real property tax is levied by the local authorities. It is based either on the area of land/building or their value in the tax books, depending on the kind of property.

If taxation is based on the value of a property, the tax rate is 2%. If taxation is based on the area of land/building, the tax rates vary from 0,49 PLN/m2 to 23,47 PLN/m2 per year, depending on the kind of property and its use.

**10. Income tax filing deadlines**

| Types of Form | | Deadlines |
|---|---|---|
| Annual Income Tax Return | Individuals | 30 April |
| Annual Income Tax Return | Companies | The end of the third month following the tax year |
| Annual Income Tax Return | Partnerships | Only joint-stock partnership is obliged to file an income tax return by the end of the third month following the tax year. Other partnerships are tax transparent and don't file income tax returns. |

**11. Double Tax Agreements**

There are 90 tax treaties signed by Poland with foreign countries regarding avoidance of double taxation.

Poland also signed and ratified Multilateral Instrument to Modify Bilateral Tax Treaties (so-called MLI Convention). Poland notified 78 tax treaties to be covered by the MLI Convention. So far MLI Convention applies to tax treaties with Australia, Austria, France, Israel, Japan, Lithuania, New Zealand, Serbia, Slovak Republic, Slovenia and United Kingdom.

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# PORTUGAL

## 2019 TAX CARD (In Euros)

### 1. Basis of Taxation

The Portuguese income tax year runs from 1 January to 31 December. There are two fundamental platforms determining liability to Portuguese tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Portugal taxes non-resident individuals and corporations on income arising to them from sources within Portugal only.

The residence jurisdiction involves the taxation of Portugal's resident individuals and corporations on income arising both in foreign countries and Portugal itself. Residents of Portugal are subject to Portuguese tax on their worldwide income.

### 2. Corporate Tax

A Portuguese resident company is subject to company tax, a non-resident company is taxed on its Portuguese source income at a different rate from a resident company. For a resident company the tax rate applicable is 21% and for a non-resident company is 25%. Plus Municipal Tax (tax rates between 0% – 1.5%)

For a PME (small and medium-sized company) the tax rate applicable until €15.000 of profit is 17% and 21% for remaining profit.

### 3. Withholding tax rate (non-treaty)

| | | Non-resident Individual | |
|---|---|---|---|
| | Resident individual | With International Tax Treaties | Standard |
| Dividends | 28% [a] | 5%-15% | 28% |
| Interest | 28% | 5%- 15% | 28% |
| Royalties/know-how | 16,5% | 5%-15% | 25% |
| Rents | 25% | | 25% |
| Capital Gains | 28% | | 28% |
| Management fees | NA | NA | NA |
| Technical fees | NA | NA | NA |
| Directors' fees | NA | NA | NA |

(a) If individual opts to include dividends in income tax statement only consider 50% of income

| | Resident corporations | | Non-resident Individual | | |
|---|---|---|---|---|---|
| | Standard | Participation Exemption (1) | With International Tax Treaties | Standard | Participation |
| Dividends | 25% | 0% | 5% - 15% | 25% | 0% |
| Interest | 25% | 0% [2] | 5% - 15% | 25%<br>35% for offshores | 0% [2] |
| Royalties/ know-how | 25% | 0% [3] | 5% - 15% | 25% | 0% [3] |

**3. Withholding tax rate (non-treaty) (cont.)**

| | Resident corporations | | Non-resident Individual | | |
|---|---|---|---|---|---|
| | Standard | Participation Exemption [1] | With International Tax Treaties | Standard | Participation |
| Rents | 25% | | | 25% | |
| Capital Gains | 21% | 0% [5] | | | 0% [4] |
| Management fees | NA | NA | NA | NA | NA |
| Technical fees | NA | NA | NA | NA | NA |
| Directors' fees | NA | NA | NA | NA | NA |

[1] Tax exemption: shareholding > or = 10% and owned more than 1 year.
[2] Under the directive 2003/49/CEE.
[3] Under the directive 2003/49/CEE.
[4] Only if the foreign shareholder is not resident in a tax haven country and if the total assets of Portuguese company have no more than 50% of buildings.
[5] If total assets of Portuguese company have no more than 50% of buildings.

**4. Resident individual tax rates (1 January - 31 December 2019)**

| Taxable Income | Tax Payable | |
|---|---|---|
| | Standard | Average |
| 0–7.091 | 14.50 % | 14.500 % |
| 7.091–10.700 | 23.00 % | 17.367 % |
| 10.700–20.261 | 28.50 % | 22.621 % |
| 20.261–25.000 | 35.00 % | 24.967 % |
| 25.000-36.856 | 37.00 % | 28.838 % |
| 36.856-80.640 | 45.00 % | 37.613 % |
| 80.640 and over | 48.00 % | - |

| Additional Solidarity Tax Rate | |
|---|---|
| Plus than 80.000 until 250.000 | 2.5% |
| Plus than 250.000 | 5% |

**5. Value Added Tax**

| VAT Rates | | |
|---|---|---|
| Standard Rate | 23.00 % | 18 % in Azores and 22% in Madeira |
| Reduced Rate | 13.00 % | 9 % in Azores and 12% in Madeira |
| Super Reduced Rate | 6.00 % | 4 % in Azores and 5% in Madeira |

If the distance selling to individuals exceed the threshold (€35.000 of annual turnover), the company must obtain a Portuguese VAT number and charge the Portuguese VAT.

**6. Inheritance Tax**

The inheritance tax rate, named as stamp tax, is fixed on 10% over the total amount of assets. Spouse, children or ascendants are tax exempt.

Heirs must present before tax authorities a list of the inherited assets.

**7. Stamp duty**

Stamp duty is due on acts, contracts, documents, titles, books, papers and other facts foreseen in the General Table, which occurs in Portugal and is not subject or exempt from VAT.

**7. Stamp duty (cont.)**

Onerous acquisition or donation of property (0.8%), letting or subletting (10%), use of credit (0.04%-0.6%), consumer's credit (0,128%-1,6%), interest (4%), commission for given guarantees (3%), other commission for financial services (4%), are some examples where stamp duty is applied.

**8. Property tax and Property transfer tax**

IMI (Imposto Municipal Sobre Imóveis) is computed on the tax registration value of urban and rural properties located in Portuguese territory. It is due by the owner, the usufructuary, or the holder of the surface right of a property with reference to 31 December of the year that it concerns.

The tax registration value is determined by means of valuation, based on the type of property.

| Property | Rates |
|---|---|
| Urban property | 0.3% to 0.45% |
| Rural property | 0.8% |
| Property owned by residents in offshores (except individuals) | 7.5% |

IMT (Impost.o Municipal Sobre a Transmissão Onerosa de Imóveis) is a municipal tax levied on onerous transmissions of real estate located in Portuguese territory. It is due by the acquirer.

| Description | Rates |
|---|---|
| Rural property | 5% |
| Other urban properties and other onerous acquisitions | 6.5% |
| The acquirer is a tax resident in an offshore (except individuals) | 10% |
| Urban property or autonomous fraction of urban property exclusively intended to a permanent place of residence | 0% - 6% |
| Urban property or autonomous fraction of urban property exclusively intended to residence (non-permanent) | 1% - 6% |

**9. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| Tax Return | Individuals | 30 June |
| Tax Return | Companies | 31 May |
| Tax Return | Partnerships (Special Tax Regime of Group Taxation - RETGS) | 31 May |
| Annual declaration (IES) | Companies | 15 July |
| Annual declaration (IES) | Partnerships | 15 July |
| Periodic VAT Returns | If Annual Turnover > or = 650.000€ | monthly until the 10th of the second following month |
| | If Annual Turnover < 650.000€ | quarterly, until the 15th of the second following month |

**10. Double Tax Agreements**

Portugal has 77 international tax treaties in force (plus two already signed) with foreign countries to avoid double taxation.

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# ROMANIA
## 2019 TAX CARD (in Euros)

### 1. Basis of Taxation

The Romanian fiscal year runs from the 1 January to 31 December. The Romanian tax system is divided into two main categories: company taxation and individual taxation.

Also, there are two fundamental platforms determining liability to tax, commonly known as the source rule and residence rule. The source jurisdiction of taxation means that Romania taxes non-resident individuals and corporations on income arising to them from sources within Romania only. The residence jurisdiction involves the taxation of Romania's resident individuals and corporations on income arising both in foreign countries and Romania itself. Residents of Romania are subject to Romanian tax on their worldwide income.

The Romanian company taxation system known as corporate income tax is applicable to Romanian companies, foreign companies controlled from Romania for their worldwide income but also for foreign companies with income assigned to a permanent establishment in Romania. Also for newly founded Romanian companies or companies below the 1.000.000 euro income/year threshold, there is a special taxation system called a micro-enterprise tax.

The individual taxation for residents consist of income obtained in Romania or world-wide, from professional activity, intellectual property, salary, rental, investment etc.

### 2. Corporate Tax

A Romanian resident company is subject to corporate income tax or micro-enterprise tax, a non-resident company is taxed on its Romanian source income at the same rate as a resident company payer of corporate income tax. The following tax rates apply to companies.

| Year | Annual Turnover Threshold | Entities above the Threshold | Standard | Micro-entities under the Threshold with no employees |
|---|---|---|---|---|
| 2018 | 1.000.000 euro | 16% on profit | 1% on revenue | 3% on revenue |

### 3. Withholding tax rate (non-treaty)

| | Resident Individual/ Corporation | Non-resident with no convention regarding the exchange of information Individual/Corporation |
|---|---|---|
| Dividends | 5% | 5% |
| Interest | 10%/NA | 16%/16% |
| Royalties/know-how | 10%/NA | 16%/16% |
| Rents (for moveable property) | NA | NA |
| Management fees | 10%/NA | 10%/16% |
| Technical fees | 10%/NA | 10%/16% |
| Directors' fees | 10%/NA | 10%/16% |

| | |
|---|---|
| **4. Resident individual taxes rates** | The income tax rate applicable to resident individuals in Romania for dependent or independent activitiesare 10% except for dividends for which the tax rate is 5%. |
| **5. Non-resident individual tax rates** | The income tax rate applicable to non-resident individuals is the same as for resident individuals except for some types of revenue like interests and royalties which is taxed with 16%. |
| **6. Value Added Tax** | The standard VAT rate is equal to 19% and is to be applied to the tax base for any taxable operation that is not exempt from tax or that is not subject to the reduced rates.<br>The 9% reduced rate is applicable for supplies of medical devices, medicines, food, non-alcoholic drinks, water and agriculture goods and services.<br>The 5% reduced rate is applied to the delivery of books, newspapers, school manuals, admissions to cultural events, museums, concerts, sports events, cinemas and for certain deliveries of houses; hotel, accomodation, restaurant and catering services.<br><br>Romanian VAT regulation is in accordance with 112/2006/CE VAT Directive. |
| **7. Inheritance Tax** | Romania does not have inheritance tax if procedures are completed within two years. After this, there is a 1% tax. |
| **8. Immovable property transfer tax** | The income realised by transfer of ownership rights over a construction or parts of a construction or land is subject to a 3% tax to the value of the property after the deduction of the non-taxable sum of 100.000 euro. |
| **9.Property tax** | Romanian property tax is calculated according to the destination of the property (residential, non-residential or mix destination), year of completion, area and the rank of the town, the building utilities and type. Local administrative councils establish the property tax rates between 0.08% - 0.2% for residential and 0.2% -1.3% for non-residential properties on the value of the property. Companies must evaluate the value of the property every three years otherwise a 5% tax rate is applied to the value of the property. |
| **10.Income tax filing deadlines** | Type of form: Tax Return – Individuals – 15th March<br>Tax Return – Companies – 25th March<br>Tax Return – Non-profit organisations – 25th February<br><br>* Companies with corporate income tax have annual computation with quarterly prepayments and companies with micro-enterprise tax have quarterly computation and payments. |
| **11. Double Tax Agreements** | 87 double taxation treaties were signed between Romania and other countries in order to eliminate the double taxation. These agreements override domestic legislation where the same income is taxed in both countries. |



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# SLOVAKIA
## 2019 TAX CARD (In Euros)

### 1. Basis of Taxation

The liability to Slovak income tax is determined by the tax residence status and the source of income. The Slovak tax residents are taxed on their worldwide income. The tax non-residents are taxed only on income which arises to them from Slovak-source.

A company is a resident if its seat or place of effective management is considered in Slovakia. An individual is treated as resident if he has his permanent residence or habitual abode or lives for at least 183 days in each calendar year in Slovakia.

### 2. Corporate Tax

The tax period is the calendar year or financial year.

The corporate tax rate is 21% of tax base reduced by tax loss. Starting January 1st, 2018, the minimum corporate tax is abolished.

The taxation upon leaving the country (exit tax) will apply if:
- the company, tax resident in Slovakia moves its assets from Slovakia to its permanent establishment abroad, or
- the company, Slovak tax non-resident moves its assets from the Slovak permanent establishment to its centre in another country or to its permanent establishment abroad

Taxation is calculated in a special tax base, whereas the tax base must be positive. The tax rate is 21%. There are special conditions for calculation, tax period as well as due date and penalties.

The thin cap rules are in force in Slovakia. Interests from loans from related parties are tax-deductable only up to the amount of 25% of EBITDA indicator, i.e. accounting result before depreciation, interest and tax. These rules do not relate to the financial institutions and leasing companies.

### 3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|---|---|
| Dividends | 35% |
| Interest | 35 % |
| Royalties/ | NA |
| know-how | 35 % |
| Rents (for moveable property) | 35 % |
| Management fees | 35 % |
| Technical fees | 35 % |
| Directors' fees | As wages |

| Taxable Income (excluding capital gains) | Tax Rate |
|---|---|
| 0,00-36,256.37 | 19% |
| 35,268.07 + | 25% |

| Taxable Income (capital gains) | Tax Rate |
|---|---|
| 0.00 + | 19% |

**4. Resident individual taxes rates**

| Taxable Income (dividends) | Tax Rate |
|---|---|
| 0.00 + | 7% |

The taxpayers may claim:
- the tax bonus per a dependent child in the amount of €44,34 per month until 6 year old after that € 22,17 per month,
- the personal allowance in the amount of € 3,937.35
-the spouse allowance in the amount of € 3937,35

The rental income and the occasional income in the amount of €500.00 are exempt from income tax.

In Slovakia, you also pay the social and health insurance contributions.

**5. Non-resident individual tax rates**

The non-resident individual tax rates are the same as the resident individual tax rates. The scope of taxable income is different.
The dividend income tax rates are 7% (treaty) and 35% (non-treaty).

**6. Value Added Tax**

The Value Added Tax is levied in Slovakia:
- On the supply of goods and services for consideration performed in Slovakia by taxable persons,
- On the Intra-Community supply of goods for consideration from other EU Member State,
- On the imports of goods.

The standard rate is 20%. The reduced rate of 10% is applied to certain goods (for example basic foodstuffs, books, antibiotics and orthopaedic items). Some goods and services are VAT exempt (for example insurance services, financial services and cultural services).

If the taxable turnover within the last 12 calendar months will reach the registration threshold of €49,790 the taxable persons are obligated to register for VAT purposes. The taxable persons who supply real properties have to register for VAT if the legal conditions are met. The voluntary VAT registration is possible.

**7. Estate Duty**

Slovakia does not have the estate tax or the inheritance tax.

**8. Stamp duty**

Fees are applied but they usually are in the insignificant amount.

**9. Property tax**

The real estate tax consists of the land tax, building tax and apartment tax. The persons liable for payment of property tax are the owners of the property or in certain cases the property managers.
The tax period is the calendar year. The tax return must be filed by January 31st in the year following the year in which the tax liability arises.
The taxpayers are obligated to pay the property tax annually to the municipal authorities. The general rate of the land tax is 0.25% of the land value. The general rate of the building tax is €0.033 per square meter of a building. The general rate of the apartment tax is €0.033 per square meter of an apartment. At municipal level, the general rates can be increased or decreased to reflect the specific local situation.

## 10. Income tax filing deadlines

| Types of Form | | Deadlines* |
|---|---|---|
| Income Tax Return | Individuals | By March 31st in the year following the tax year |
| Income Tax Return | Companies | By March 31st in the year following the tax year |

* Various extensions are available for lodgement up to April / May / June / September in the year following the tax year.

## 11. Double Tax Agreements

Slovakia concluded 70 tax treaties to avoid double taxation. Slovakia also signed the Multilateral Instrument (the MLI) on June 7th, 2017. Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Armenia | 5 or 10 | 10 | 10 |
| Australia | 15 | 10 | 10 |
| Austria | 10 | 0 | 0 or 5 |
| Belarus | 0 or 10 or 15 | 0 or 10 | 0 or 5 or 10 |
| Belgium | 5 or 15 | 0 or 10 | 0 or 5 |
| Bosnia and Herzegovina | 5 or 15 | 0 | 10 |
| Brazil | 15 | 10 or 15 | 15 or 25 |
| Bulgaria | 0 or 10 | 0 or 10 | 0 or 10 |
| Canada | 5 or 10 or 15 | 10 | 0 or 10 |
| Croatia | 5 or 10 | 10 | 10 |
| Cyprus | 10 | 10 | 0 or 5 |
| Czech Republic | 5 or 15 | 0 | 0 or 5 or 10 |
| Denmark | 15 | 0 | 0 or 5 |
| Ethiopia | 5 or 10 | 5 | 5 |
| Estonia | 10 | 10 | 10 |
| Finland | 5 or 15 | 0 | 0 or 1 or 5 or 10 |
| France | 10 | 0 | 0 or 5 |
| Georgia | 0 | 5 | 5 |
| Germany | 5 or 15 | 0 | 5 |
| Greece | 19 | 10 | 0 or 10 |
| Hungary | 0 or 5 or 15 | 0 | 0 or 10 |
| China | 10 | 10 | 10 |
| China (Taiwan) | 10 | 10 | 5 or 10 |
| Iceland | 5 or 10 | 0 | 10 |
| India | 15 or 25 | 15 | 30 |
| Indonesia | 10 | 10 | 10 or 15 |
| Iran | 0 or 10 | 0 | 0 or 10 |
| Ireland | 0 or 10 | 0 | 0 or 10 |
| Indonesia | 10 | 10 | 10 or 15 |
| Ireland | 5 | 5 | 7,5 |
| Israel | 5 or 10 | 2 or 5 or 10 | 5 |
| Italy | 15 | 0 | 0 or 5 |
| Japan | 10 or 15 | 10 | 0 or 10 |

**11. Double Tax Agreements (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Kazakhstan | 10 or 15 | 10 | 10 |
| Korea | 5 or 10 | 10 | 0 or 10 |
| Kuwait | 0 | 10 | 10 |
| Latvia | 10 | 10 | 10 |
| Libya | 0 | 10 | 5 |
| Lithuania | 10 | 10 | 10 |
| Luxembourg | 5 or 15 | 0 | 0 or 10 |
| Macedonia | 5 | 10 | 10 |
| Malta | 5 | 0 | 5 |
| Moldova | 5 or 15 | 10 | 10 |
| Mongolia | 0 | 0 | 0 |
| Netherlands | 0 or 10 | 0 | 5 |
| Nigeria | 12.5 or 15 | 15 | 10 |
| Norway | 5 or 15 | 0 | 0 or 5 |
| Poland | 0 or 5 or 10 | 0 or 5 or 10 | 0 or 5 |
| Portuguese | 10 or 15 | 10 | 10 |
| Romania | 0 or 10 | 0 or 10 | 0 or 10 or 15 |
| Russian Federation | 0 or 10 | 0 | 0 or 10 |
| Serbia and Montenegro | 5 or 15 | 0 or 10 | 10 |
| Singapore | 5 or 10 | 0 | 10 |
| Slovenia | 5 or 15 | 10 | 10 |
| South Africa | 5 or 15 | 0 | 10 |
| Spain | 5 or 15 | 0 | 0 or 5 |
| Sri Lanka | 15 | 10 | 0 or 10 |
| Sweden | 0 or 10 | 0 | 0 or 5 |
| Switzerland | 0 or 5 or 15 | 5 or 10 | 0 or 5 or 10 |
| Syria | 5 | 10 | 12 |
| Tunis | 10 or 15 | 12 | 5 or 15 |
| Turkey | 5 or 10 | 10 | 10 |
| Turkmenistan | 10 | 10 | 10 |
| Ukraine | 0 or 10 | 0 or 10 | 0 or 10 |
| United Kingdom | 5 or 15 | 0 | 0 or 10 |
| United Mexican States | 0 | 10 | 10 |
| UAE | 0 | 10 | 10 |
| USA | 5 or 15 | 0 | 0 or 10 |
| Uzbekistan | 10 | 10 | 10 |
| Vietnam | 5 or 10 | 10 | 5 or 10 or 15 |



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# SLOVENIA
## 2019 TAX CARD (in Euros)

### 1. Basis of Taxation

The liability to Slovene income tax is determined by the tax residence status and the source of income. The Slovenian tax residents are taxed on their worldwide income. The tax non-residents are taxed only on income derived in Slovenia (Slovene sourced income).
A company is a resident if its seat or place of effective management is considered in Slovenia. An individual is treated as resident if he fulfils at least one of the criteria laid down by the legislation. This is usually fulfilled if he has his permanent residence or habitual abode (centre of vital interest) in Slovenia or is physically present for at least 183 days in any period in a tax year in Slovenia.

### 2. Corporate Tax

The tax period can be a calendar year or a financial year.

Corporate income tax is levied on the taxable profit at a rate of 19 %. The current government is considering potential changes to the tax rate in the following years - gradual annual increases by 1 percentage point - 20 % in 2020, 21 % in 2021, ending in 2020 with 22 %. Nothing is yet confirmed.

A special rate of 0 % applies under certain conditions to investment funds, pension funds and insurance undertakings for pension plans. As of January 1st 2013, there is an optional flat-rate taxation regime. In accordance with this flat-rate regime, the tax base is determined on the basis of lump-sum costs accounting for 80 % of income. Tax losses carried forward from previous years may be used only up to 50 % of the tax base.
A research and development (R&D) investment allowance is represented as a deduction from the tax base of 100 % of the amount invested in qualified internal R&D activities and purchase of R&D services, but not exceeding the amount of the tax base. There is also an investment tax allowance – a deduction from the tax base of 40 % of the amount invested in qualified equipment and intangibles, but only up to the amount of the tax base. Additional tax allowances are available under certain conditions. Thin cap rules are in force in Slovenia. Interest on loans is not deductible if the loan is received from certain related parties (for example a shareholder who directly or indirectly owns at least 25% of the equity capital or voting rights) and the loan exceeds a debt-to-equity ratio of 4:1 at any time during the tax period. Interest on loans exceeding the 4:1 debt-to-equity ratio is usually deemed to be hidden profit distribution. It is possible to defend tax deductibility of such interest if the taxpayer can demonstrate such a loan would have been granted by an unrelated third party.

### 3. Withholding tax rate (non-treaty)

| Taxable Income EUR | Tax Payable EUR |
|---|---|
| Dividends | 15 % |
| Interest | 15 % |
| Royalties | 15 % |
| know-how | 15 % |
| Lease payments for real estate located in Slovenia) | 15 % |
| Payments for services by performing artists or athletes, if the recipient of the payments is another person | 15 % |
| Fees paid for advisory services, marketing, market analysis, HR, administrative, IT and legal services, if paid to persons resident outside EU and in a blacklisted country (list published by the Ministry of Finance) | 15 % |

**4. Resident individual tax rates**

Personal income tax brackets for 2019

| Taxable income bracket | | Total tax on income below bracket | Tax rate on income in bracket |
|---|---|---|---|
| From EUR | To EUR | EUR | Percent |
| 0 | 8.021 | 0 | 16 % |
| 8.021 | 20.400 | 1.283 | + 27 % over 8.021 |
| 20.400 | 48.000 | 4.626 | + 34 % over 20.400 |
| 48.000 | 70.907 | 14.010 | + 39 % over 48.000 |
| Over 70.907 | - | 22.943 | + 50 % over 70.907 |

**Capital Gains**

Important changes of capital gains taxation are expected to be confirmed in Slovene parliament in the next few weeks/months, but nothing is yet determined. The changes are most likely to increase capital gains taxation is some form or another.

| Taxable Income (capital gains)* | Tax Rate |
|---|---|
| First 5 years | 25 % |
| 5-10 years | 15 % |
| 10-15 years | 10 % |
| 15-20 years | 5 % |
| 20+ years | 0 % |

* the tax rate depends on the years of ownership

A resident taxpayer may for example claim (under certain conditions) the following tax allowances:
general allowance;
special allowance for dependent family members (the allowance is increased for each additional dependent family member);
tax allowance for voluntary additional pension insurance; etc.

Dividends, interest and rental income received by a resident individual are subject to a 25 % withholding tax.

Social security contributions are generally mandatory in Slovenia if natural persons perform their work in Slovenia

**5. Non-resident individual tax rates**

Non-residents individual tax rates are identical to the tax rates for residents. Non-residents are only liable for taxation on income derived in Slovenia (Slovene sourced income).

**6. Goods and Services tax**

The Value Added Tax is levied in Slovenia:
1. on supplies of goods and services for consideration performed on the territory of Slovenia by taxable persons,
2. on intra-Community acquisitions of goods for consideration from other EU Member States,
3. on import of goods.

The standard VAT rate is 22 %. The reduced rate of 9,5 % is applied for certain goods (for example foodstuffs, books, etc.) and services. Some goods and services are VAT exempt (for example financial services, etc.)

**6. Goods and Services tax (cont)**

If the taxable turnover within the last 12 calendar months exceeds the registration threshold of 50.000 EUR, VAT registration is mandatory. It is possible to identify for VAT purposes on a voluntary basis. VAT registration is mandatory for foreign taxable persons performing taxable supplies on the territory of Slovenia.

**7. Estate duty**

Inheritance (and gift) tax is applicable in cases of transfer of property. The tax is levied progressively, depending on the value of the property and the recipient's relationship with the deceased/donor.

**8. Stamp duty**

Slovenia does not have stamp duties.

**9. Property tax**

The Slovenian property tax system currently consists of two types of taxation on possession or use of real estate. One is property tax and the other is a duty called "charge for the use of building land".

Property tax is levied on property owners or real estate beneficiaries, whereby the obligation and/or tax base depends on the type and size of the real estate. Property tax is levied at progressive rates and there are wide-ranging exceptions stipulated by the legislation.

The charge for the use of building land is assessed on an annual basis and depends on various circumstances. The tax rates are determined by local municipalities. The person liable for payment of the charge is the owner or tenant of the real estate property.

The property tax system will most likely undergo drastic changes over the next years as the introduction of new legislation has been in the making for the past few years.

**10. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| Income Tax Return | Individuals | For income from employment and certain other types of income, residents receive a preliminary tax calculation automatically, whereby there is no further filing obligation if the calculation is correct. If it is not received until the stipulated deadline, the natural person must submit an annual tax return until the end of July.<br><br>For capital gains, the deadline for submission of the tax return is the end of February. |
| Income Tax Return | Companies | The tax return must be submitted within three months after the end of the tax year. |
| *other filing deadlines are applicable for different types of income | | |

**11. Double Tax Agreements**

Slovenia has concluded 59 tax treaties for the avoidance of double taxation. Slovenia also signed the Multilateral Instrument (the MLI) on June 7th 2017.

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

**11. Double Tax Agreements (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Albania | not exceed 5 or 10 | not exceed 7 | not exceed 7 |
| Austria | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Armenia | not exceed 5 or 10 | not exceed 10 | not exceed 5 |
| Azerbaijan | not exceed 8 | not exceed 8 | not exceed 5 or 10 |
| Belgium | not exceed 5 or 15 | not exceed 10 | not exceed 5 |
| Belarus | not exceed 5 | not exceed 5 | not exceed 5 |
| Bosnia & Herzegovina | not exceed 5 or 10 | not exceed 7 | not exceed 5 |
| Bulgaria | not exceed 5 or 10 | not exceed 7 | not exceed 5 or 10 |
| Canada | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| China (People's Republic Of) | not exceed 5 | not exceed 10 | not exceed 10 |
| Croatia | not exceed 5 | not exceed 5 | not exceed 5 |
| Cyprus | not exceed 5 | not exceed 5 | not exceed 5 |
| Czech Republic | not exceed 5 or 15 | not exceed 5 | not exceed 10 |
| Denmark | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Estonia | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Finland | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| France | not exceed 15 | not exceed 5 | not exceed 5 |
| Georgia | not exceed 5 | not exceed 5 | not exceed 5 |
| Germany | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Greece | not exceed 10 | not exceed 10 | not exceed 10 |
| Hungary | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| India | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Iceland | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Ireland | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Iran | not exceed 7 | not exceed 5 | not exceed 5 |
| Isle Of Man | not stipulated | not stipulated | not stipulated |
| Israel | not exceed 5, 10 or 15 | not exceed 5 | not exceed 5 |
| Italy | not exceed 5 or 15 | not exceed 10 | not exceed 5 |
| Japan | not exceed 5 | not exceed 5 | not exceed 5 |
| Kazakhstan | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Korea (Republic of) | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Kosovo | not exceed 5 or 10 | not exceed 5 | not exceed 5 |
| Kuwait | not exceed 5 | not exceed 5 | not exceed 10 |
| Latvia | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Lithuania | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Luxembourg | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Macedonia | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Malta | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Moldova | not exceed 5 or 10 | not exceed 5 | not exceed 5 |
| Netherlands | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Norway | 0 or not exceed 15 | not exceed 5 | not exceed 5 |
| Poland | not exceed 5 or 15 | not exceed 10 | not exceed 10 |

**11. Double Tax Agreements (cont)**

| Country | Dividends % | Interest %* | Royalties % |
|---|---|---|---|
| Portugal | not exceed 5 or 15 | not exceed 10 | not exceed 5 |
| Qatar | not exceed 5 | not exceed 5 | not exceed 5 |
| Romania | not exceed 5 | not exceed 5 | not exceed 5 |
| Russian Federation | not exceed 10 | not exceed 10 | not exceed 10 |
| Serbia/ Montenegro | not exceed 5 or 10 | not exceed 10 | not exceed 5 or 10 |
| Singapore | not exceed 5 | not exceed 5 | not exceed 5 |
| Slovak Republic | not exceed 5 or 15 | not exceed 10 | not exceed 10 |
| Spain | not exceed 5 or 15 | not exceed 5 | not exceed 5 |
| Sweden | not exceed 5 or 15 | exempt | exempt |
| Switzerland | not exceed 15 | not exceed 5 | not exceed 5 |
| Thailand | not exceed 10 | not exceed 10 or 15 | not exceed 10 or 15 |
| Turkey | not exceed 10 | not exceed 10 | not exceed 10 |
| Ukraine | not exceed 5 or 15 | not exceed 5 | not exceed 5 or 10 |
| Uzbekistan | not exceed 8 | not exceed 8 | not exceed 10 |
| Great Britain And Northern Ireland | not exceed 15 | not exceed 5 | not exceed 5 |
| United Arab Emirates | not exceed 5 | not exceed 5 | not exceed 5 |
| USA | not exceed 5 or 15 | not exceed 5 | not exceed 5 |

Specific conditions for application of the above tax rates should be observed on the basis of provisions of an individual double tax treaty. Exemptions from taxation on the basis of double tax treaty provisions are possible in certain cases even though a general maximum tax rate is indicated above.



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# SPAIN
## 2019 TAX CARD (In Euros)

### 1. Basis of Taxation

Spanish taxes can be classified by as follows:

**A. Direct taxes.**
- On Incomes: Corporate income tax, Personal income tax and Non-resident income tax.
- On assets: Wealth tax and inheritance and gift tax (affecting only individuals).

**B. Indirect taxes:**
- Valued Add Tax (VAT)
- Transfer tax and stamp tax
- Excise tax
- Customs duties on imports

**Tax residence in Spain.** A company is deemed to be resident in Spain for tax purposes if meets any of the following conditions: it was incorporated under Spanish Law, its registered office is located in Spain, and its place of effective management is in Spain. An individual will have his residence in Spain as long as stays physically in Spain more than 183 days in one year calendar.

**Non-resident in Spain.** A company will contribute in Spain to its incomes received through a permanent establishment besides the assets located in Spain, as well as individuals.

### 2. Corporate Tax

The regulation is basically contained in Corporate Tax Law 27/2014, of November 27.

The tax period can not exceed 12 months, and the tax will file after the next six months following the end of its financial year. Commonly, the financial year takes from January 1 until December 31.

The tax principles for allocating revenues and expenses to determine taxable income generally coincide with accounting principles. In this regard, the method generally applicable for recognizing revenue and expenses is the accrual method. The law contains an exhaustive list of non-deductible expenses.

The are some tax incentives for small and medium-size companies which invoice less than €10 million, regarding the depreciation of its assets and if they increase their reserves.

The general tax rate is 25%. There are some special rates applicable to certain entities such as collective investments institutions (1%), certain cooperatives (20%), non-profit organizations complying with Law 49/2002 (10%), credit institutions (30%), etc.

There are some tax credits applicable to encourage certain activities:
- Research and development and technological innovation.
- Investment in cinematographic production.
- Creation of employment.
- Creating jobs for disabled worker

**2. Corporate Tax (cont)**

Concerning the tax credit to avoid international double taxation, there are two tips of credit.

- **A) Legal.** When taxpayers include in the gross tax base income obtained in another country, they will deduct the lesser of the following two figures, the amount paid abroad in an identical tax or the amount of tax that would be payable in Spain.

- **B) Economic.** When dividends or shares in profit included in the gross tax base are paid by a company non-resident in Spain, the deduction will be the tax paid by the non-resident entity.

**3. Withholding tax rate (non-treaty)**

| | Resident Individual/Corporation | Non-Resident Individual/Corporation |
|---|---|---|
| Dividends | 19% | 19% |
| Interest | 19% | 19% |
| Capital gain | | 19% |
| Capital gain (real state) | 0% | 3% |
| Royalties | 19% | 24% |
| Rents | 21% | 24% |
| Salaries | 0-45% | 24% |
| Pensions | 0-45% | 8-40% |
| Business | 0-45% | 24% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.

**4. Resident individual tax rates**

The taxpayers subject to personal income tax are taxed for on their entire worldwide income, including the income of foreign entities.
There is the possibility of being taxed as an individual or jointly (as a family unit).
The tax is structured in two types of bases, integrated by different kinds of incomes.
The positive balance will be the result of adding and offsetting the capital gains and losses.

- a) General tax base. Salary income, income and imputation from real state, some of the incomes movable capital from entities related to the tax payer, incomes from business activities, imputation of real and some capital gains and losses.

- b) Saving tax base. Incomes derived form an entity due to the status of the partner or shareholder, income from movable capital derived from the transfer of own funds, the monetary return or payment in kind on capitalization transactions and life or disability insurance contracts and some capital gains and losses.

The Law establishes numerous items from exempt income such as salary earned during the time spent by the employee working abroad.
There are reductions in the base in order to adapt the tax to the personal and family situation of the taxpayer.

- a) Taxpayer allowance: €5,550 annually (increased for persons over 65 years)
- b) Allowance for descendants: €2,400 for the first, €2,700 for the second, €4,000 for the third, €4,500 for fourth and subsequent.
- c) Allowance of ascendants: €1,150 annually.
- d) Allowance for disability: depending on the grade of disability €3,000 or €9,000.

**4. Resident individual tax rates (cont)**

The tax rate will depend on which autonomous community where is established the taxpayer, being the same incomes taxed differently between autonomous communities. Nevertheless, a overall average is:

Tax applicable on the General tax base:

| Net Taxable Income (Up to ) | Gross TA payable | Rest of Net Taxable Income (Up to ) | Tax Rate Applicable |
|---|---|---|---|
| - € | - € | 12.450,00 € | 19% |
| 12.450,00 € | 2.365,50 € | 7.750,00 € | 24% |
| 20.200,00 € | 425,50 € | 15.000,00 € | 30% |
| 35.200,00 € | 8.725,50 € | 24.800,00 € | 37% |
| 60.000,00 € | 17.901,50 € | Onwards | 47% |

Tax applicable on the Saving tax base:

| Net Taxable Income (Up to ) | Gross TA payable | Rest of Net Taxable Income (Up to ) | Tax Rate Applicable |
|---|---|---|---|
| - € | - € | 6.000,00 € | 19% |
| 6.000,00 € | 1.140,00 € | 44.000,00 € | 21% |
| 50.000,00 € | 10.380,00 € | Onwards | 23% |

The legislation establishes some kind of tax credits such as double taxation, donations and for investments in the recently formed company.

**5. Non-resident individual tax rates**

The basic regulation is contained in the Legislative Royal Decree 5/2004, of March 5 and it is determining if non-resident individuals or the entities obtain their incomes through a permanent establishment.
Permanent establishments in Spain are taxed on their net income at the same rate as Spanish companies, in general, 25%.
When the incomes are obtained without a permanent establishment the following rates are applicable:

| Type of Income | Rate (Taxpayers residentes in another Member State of EU or EEA) | Rate (for others non-residents) |
|---|---|---|
| Business activities | 19% | 24% |
| Salaries | 19% | 24% |
| Dividends and interest | 19% | 19% |
| Rent | 19% | 24% |
| Capital gain | 19% | 19% |
| Royalties | 19% | 24% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.

**6. Goods and Services tax**

Normally the VAT tax does not entail any cost for traders or professionals due to most of them are allowed to deduct the VAT paid in their purchases, consequently the VAT is a cost for the end consumer. Within Spain, VAT is not applicable in

- a) Canary Island. Canary General Indirect Tax is in force and its general rate is 7%.
- b) Ceuta and Melilla. They charge a different indirect tax for production, services and import.

**6. Goods and Services tax (cont.)**

The taxable transactions are:

- a) Supplies of goods
- b) Supplies of services
- c) Intra-Community acquisitions of goods and services.
- d) Imports of goods.

The VAT rate applicable depends on the kind of goods or services.

- a) The general rate is 21%
- b) A reduced rate of 10% for foodstuffs, water, housing, transportation.
- c) A reduced rate of 4% for goods or services that Law considered as basic needs such as medicine, bread, milk, eggs, books, magazines, etc.
- Some transactions exempt from VAT such us educational and medical services, financial and insurance transactions, etc.

**7. Estate duty**

Inheritance and gift tax is applicable only to individuals, residents and non-residents (only for the acquisitions of assets or rights located in Spain).
The tax base is formed by the net value of the assets and rights acquired. The Law contemplates a series of reductions, basically for cases of transfers between the closest family´s members. The tax is calculated by adjusting a tax scale of progressive rates but the final tax will depend on the autonomous community governments, which have legal power to regulate rates and reductions. The following table is a general scale of rates:

| Tax Base (€) | Tax Payable (€) | Ramaing Tax Base (€) | Applicable Rate (%) |
|---|---|---|---|
| 0 | | 7 993,46 | 7,65 |
| 7 993,46 | 611,5 | 7 987,45 | 8,5 |
| 15 980,91 | 1 290,43 | 7 987,45 | 9,35 |
| 23 968,36 | 2 037,26 | 7 987,45 | 10,2 |
| 31 955,81 | 2 851,98 | 7 987,45 | 11,05 |
| 39 943,26 | 3 734,59 | 7 987,46 | 11,9 |
| 47 930,72 | 4 685,10 | 7 987,45 | 12,75 |
| 55 918,17 | 5 703,50 | 7 987,45 | 13,6 |
| 63 905,62 | 6 789,79 | 7 987,45 | 14,45 |
| 71 893,07 | 7 943,98 | 7 987,45 | 15,3 |
| 79 880,52 | 9 166,06 | 39 877,15 | 16,15 |
| 119 757,67 | 15 606,22 | 39 877,16 | 18,7 |
| 159 634,83 | 23 063,25 | 79 754,30 | 21,25 |
| 239 389,13 | 40 011,04 | 159 388,41 | 25,5 |
| 398 777,54 | 80 655,08 | 398 777,54 | 29,75 |
| 797 555,08 | 199 291,40 | Onwards | 34 |

**8. Stamp duty**

Transfer and stamp tax is basically applied on real property transfers or some companies operations. There are some corporate transactions exempted (company formations, capital increases, business restructuring transactions). The following are the most relevant operations:

| Operations | Tax Rate |
|---|---|
| Corporate transactions | 1% |
| Transfers of real estate | 6% |
| Certain rights on real estate | 1% |
| Certain mercantile law public deeds | 0,50% |

**8. Stamp duty (cont.)**

The operations taxed by VAT are not subjected by transfer tax.
The regulation applicable is also determined by the autonomous community consequently they can regulate the tax rate levied.

**9. Property**

The wealth tax is only applicable to individuals. Residents will be taxed for their total assets (located worldwide) and non-residents for their assets in Spain.

The Law explains how to value each kind of asset and establishes a reduction of €300,000 for the habitual residence, and in certain circumstances the assets or rights necessary for the performance of a business or professional activity are exempt, among others. Additionally, there is a general exemption of €700,000 but this amount could be modified by the autonomous community, as well as the following scale of rates:

| Net Taxable Income (Up to ) | Tax payable (€) | Rest of Net Taxable Income (Up to ) | Tax Rate(%) |
|---|---|---|---|
| 0,00 | 0,00 | 167.129,45 | 0,2 |
| 167.129,45 | 334,26 | 167.123,43 | 0,3 |
| 334.252,88 | 835,63 | 334.246,87 | 0,5 |
| 668.499,75 | 2.506,86 | 668.499,76 | 0,9 |
| 1.336.999,51 | 8.523,36 | 1.336.999,50 | 1,3 |
| 2.673.999,01 | 25.904,35 | 2.673.999,02 | 1,7 |
| 5.347.998,03 | 71.362,33 | 5.347.998,03 | 2,1 |
| 10.695.996,06 | 183.670,29 | Onwards | 2,5 |

**10. Income tax filing deadlines**

| Types of forms | | Deadlines* |
|---|---|---|
| Income Tax Return | Individuals | By June 30th in the year following the tax year |
| Income Tax Return | Companies (*) | By July 25th in the year following the tax year |

*For companies that start their business year on 1st of January until 31th of December. For companies with a different financial year, during the first 25 days after the six months since its financial year is over.

**11. Double Tax Agreements**

There 88 treaties in force to avoid double taxation.
The following table contains the types of retentions that operate as the maximum limit of taxation applicable by the source country to payments in the concept of dividends, interest and royalties.

| Country | Dividends % | | | Interest %* | Royalties % |
|---|---|---|---|---|---|
| Country | General (%) | Parent-Subsidiary | | (%) | (%) |
| Albania | 10 | 5/0 | 10/75. | 0/6 | 0 |
| Andorra | 15 | 5 | 10 | 0/5 | 5 |

**11. Double Tax Agreements (cont)**

| Country | Dividends % | | | Interest %* | Royalties % |
|---|---|---|---|---|---|
| Country | General (%) | Parent-Subsidiary | | (%) | (%) |
| Algeria | 15 | 5 | 10 | 0/5 | 07/14 |
| Argentina | 15 | 10 | 25 | 0/12 | 3/5/10/15 |
| Armenia | 10 | 0 | 25 | 5 | 05/10 |
| Australia | 15 | 15 | - | 10 | 10 |
| Austria | 15 | 10 | 50 | 5 | 5 |
| Barbados | 5 | 0 | 25 | 0 | 0 |
| Belgium | 15 | 0 | 25 | 0/10 | 5 |
| Byelorussia | 18 | 18 | - | 0 | 0/5 |
| Bolivia | 15 | 10 | 25 | 0/15 | 0/15 |
| Bosnia y Herzegovina | 10 | 5 | 20 | 0/7 | 7 |
| Brazil | 15 | 10 | 25 | 0/10/15 | 10/15 |
| Bulgaria | 15 | 5 | 25 | 0 | 0 |
| Canada | 15 | 5/0 | 10/PP | 0/10 | 0/10 |
| Chile | 10 | 5 | 20 | 4/5/15 | 2/10 |
| China | 10 | 10 | - | 10 | 6/10 |
| Colombia | 5 | 0 | 20 | 0/5/10 | 10 |
| Cost Rica | 12 | 5 | 20 | 0/5 | 10 |
| Croatia | 15 | 0 | 25 | 0 | 0 |
| Cuba | 15 | 5 | 25 | 0/10 | 0/5 |
| Cyprus | 5 | 0 | 10 | 0 | 0 |
| Czech Republic | 15 | 5 | 25 | 0 | 0/5 |
| Dominican Republic | 10 | 0 | 75 | 0/10 | 10 |
| Ecuador | 15 | 15 | - | 0/5/10 | 5/10 |
| Egypt | 12 | 9 | 25 | 0/10 | 12 |
| Estonia | 15 | 5 | 25 | 0 | 0 |
| Finland | 15 | 10 | 25 | 10 | 5 |
| France | 15 | 0 | 10 | 0/10 | 0/5 |
| Georgia | 10 | 0 | 10 | 0 | 0 |
| Germany | 15 | 5 | 10 | 0 | 0 |
| Greece | 10 | 5 | 25 | 0/8 | 6 |
| Hong Kong | 10 | 0 | 25 | 0/5 | 5 |
| Hungary | 15 | 5 | 25 | 0 | 0 |
| Iceland | 15 | 5 | 25 | 0/5 | 5 |
| India | 15 | 15 | - | 0/15 | 10 |
| Indonesia | 15 | 10 | 25 | 0/10 | 10 |
| Iran | 10 | 5 | 20 | 0/7,5 | 5 |
| Ireland | 15 | 0 | 25 | 0 | 5/8/10 |

**11. Double Tax Agreements (cont)**

| Country | Dividends % | | | Interest %* | Royalties % |
|---|---|---|---|---|---|
| Country | General (%) | Parent-Subsidiary | | (%) | (%) |
| Israel | 10 | 10 | - | 0/5/10 | 5/7 |
| Italy | 15 | 15 | - | 0/12 | 4/8 |
| Jamaica | 10 | 5 | 25 | 0/10 | 10 |
| Japan | 15 | 10 | 25 | 10 | 10 |
| Kazajstan | 15 | 5 | 10 | 0/10 | 10 |
| Kirguizistan | 18 | 18 | - | 0 | 0/5 |
| Korea | 15 | 10 | 25 | 10 | 10 |
| Kuwait | 5 | 0 | 10 | 0 | 5 |
| Latvia | 10 | 5 | 25 | 0/5/10 | 0% |
| Lithuania | 15 | 5 | 25 | 0/10 | 5/10 |
| Luxemburg | 15 | 10 | 25 | 10 | 10 |
| Macedonia | 15 | 5 | 10 | 0/5 | 5 |
| Malaysia | 5 | 0 | 5 | 0/10 | 5/7 [ |
| Malta | 5 | 0 | 25 | 0 | 0 |
| Marocoo | 15 | 10 | 25 | 10 | 5/10 |
| Mexico | 10 | 0 | 10/FP | 0/4,9/10 | 0/10 |
| Moldova | 10 | 5/0 | 25/50 | 0/5 | 8 |
| Netherlands | 15 | 10/5 | 50 (o 25+25) | 10 | 6 |
| New Zeland | 15 | 15 | - | 10 | 10 |
| Nigeria | 10 | 7,5 | 10 | 0/7,5 | 3,75/7,5 |
| Norway | 15 | 10 | 25 | 0/10 | 5 |
| Oman | 10 | 0 | 20 | 0/5 | 8 |
| Pakistan | 10 | 7,5/5 | 25/50 | 0/10 | 7,5 |
| Panama | 10 | 5/0 | 40/80 (o FP) | 0/5 | 5 |
| Philippines | 15 | 10 | 10 | 0/10/15 | 10/15/20 |
| Poland | 15 | 5 | 25 | 0 | 0/10 |
| Portugal | 15 | 10 | 25 | 15 | 5 |
| Romania | 15 | 10 | 25 | 10 | 10 |
| Russia | 15 | 10/5 [ | Vol. Investment | 0/5 | 5 |
| Salvador | 12 | 0 | 50 | 0/10 | 10 |
| Saudi Arabia | 5 | 0 | 25 | 0/5 | 8 |
| Senegal | 10 | 10 | - | 0/10 | 10 |
| Serbia | 10 | 5 | 25 | 0/10 | 5/10 |
| Singapur | 5 | 0 | 10 | 0/5 | 5 |
| Slovakia | 15 | 5 | 25 | 0 | 0/5 |
| Slovenia | 15 | 5 | 25 | 0/5 | 5 |
| South Africa | 15 | 5 | 25 | 0/5 | 5 |
| Sweden | 15 | 10 | 50 | 15 | 10 |

**11. Double Tax Agreements (cont)**

| Country | Dividends % | | | Interest %* | Royalties % |
|---|---|---|---|---|---|
| Country | General (%) | Parent-Subsidiary | | (%) | (%) |
| Switzerland | 15 | 0 | 10 (o PP/ Equity) | 0 | 0/5 |
| Tayikistan | 18 | 18 | - | 0 | 0/5 |
| Thailand | 10 | 10 | - | 0/10/15 | 5/8/15 |
| Trinidad y Tobago | 10 | 5/0 | 25/50 | 0/8 | 5 |
| Tunisia | 15 | 5 | 50 | 5/10 | 10 |
| Turkey | 15 | 5 | 25 | 10/15 | 10 |
| Turkmenistan | 18 | 18 | - | 0 | 0/5 |
| Ukrainian | 18 | 18 | - | 0 | 0/5 |
| United Arab | 10 | 5 | 25 | 0/5/10 | 0% |
| Emirates | 15 | 5 | 10 | 0 | 0 |
| United Kingdom | 10 | 0 | 10 (o PP) | 0 | 0 |
| Uruguay | 5 | 0 | 75 | 0/10 | 5/10 |
| USA | 15 | 10 | 25 | 0/10 | 5/8/10 |
| Uzbekistan | 10 | 5/0 | 25 | 0/5 | 5 |
| Venezuela | 10 | 0 | 25 | 0 | 5 |
| Vietnam | 15 | 10/7/5 | 25/50/70 | 0/10 | 5/10 |



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# SWEDEN

## 2019 TAX CARD (In Swedish Kronor)

### 1. Basis of Taxation

The Swedish income tax year runs from 1 January to 31 December. There are two fundamental platforms determining liability to Swedish tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Sweden taxes non-resident individuals and corporations on income arising to them from sources within Sweden only.

The residence jurisdiction involves the taxation of Sweden's resident individuals and corporations on income arising both in foreign countries and Sweden itself. Residents of Sweden are subject to Swedish tax on their worldwide income.

### 2. Corporate Tax

A Swedish resident company is subject to company tax, a non-resident company is taxed on its Swedish source income at the same rate as a resident company if there is a permanent establishment in Sweden. The tax is a flat rata tax with no turnover thresholds. The following tax rates apply to companies for the income year:

| Year | Tax |
|---|---|
| 2012-2019 | 21,4% |

### 3. Withholding tax rate (non-treated)

| | Resident | Non-resident Individual/ Corporation |
|---|---|---|
| Dividends | NA | 30% /30% |
| Interest | NA | 0%/0% |
| Royalties/know-how | NA | 30-50%/22% |
| Rents (for moveable property) | NA | NA |
| Management fees | NA | NA |
| Technical fees | NA | NA |
| Directors' fees | NA | NA |

### 4 Resident individual taxes rates

| Taxable Income SEK | Tax Payable SEK |
|---|---|
| 0 – 490 700 | About 31% |
| 490 800 - 689 300 | 52% of excess over 468 800 |
| 689 300 | 57% of excess over 689 300 |

### 5. Non-resident individual tax rates

| Taxable Income SEK | Tax Payable SEK |
|---|---|
| 0–490 700 | About 31 % |
| 490 800 - 689 300 | 52 % of excess over 468 800 |
| 689 300 | 57 % of excess over 689 300 |

| | |
|---|---|
| **6. Goods and Services tax** | VAT is levied at a rate of 25 %,12% or 6%. Entities have to register once turnover reaches 35,000 SEK. |
| **7. Estate Duty** | Sweden does not have death or estate taxes – various rollovers apply for capital gains tax and stamp duties when assets are passed on after death. |
| **8. Stamp duty** | Stamp duty is applied. Stamp duty is applied on real property transfers.<br>Rate of duty is 1,5% for individuals and to 4,25% for legal entities. |
| **9. Property tax** | Property tax is charged on property owners. The rate of property tax varies depending on the use of the building. The tax is charged on an estimated value linked to an estimated market value adjusted every few years. |
| **10. Income tax filing deadlines** | <table><tr><th>Types of Form</th><th></th><th>Deadlines*</th></tr><tr><td>Tax Return</td><td>Individuals</td><td>2 May</td></tr><tr><td>Tax Return</td><td>Companies</td><td>Varies depending on income year. 6 months after the end.</td></tr><tr><td>Management fees</td><td>NA</td><td>NA</td></tr><tr><td>Technical fees</td><td>NA</td><td>NA</td></tr><tr><td>Directors' fees</td><td>NA</td><td>NA</td></tr></table><br>*Various extensions are available for lodgement up to June of the following year where the entity is registered as a client of a tax agent. Timing of extension available is dependent upon the type of entity, their size, and if the entity is tax payable for the year. |
| **11. Double Tax Agreements** | 82 international tax treaties have been put in place to prevent tax treaties were signed with foreign countries to avoid double taxation. |

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# SWITZERLAND

## 2019 TAX CARD (In Swiss Francs)

### 1. Basis of Taxation

The Swiss tax system is shaped in three different levels: federal, cantonal and communal taxes. The largest portion is levied by the cantons and municipalities, under their own laws, resulting in an intense tax competition at these two levels.

The liability to Switzerland income tax is determined by the tax residence status and the source of the income. The Swiss resident individuals are subject to income and wealth tax on their worldwide income and wealth (unlimited tax liability). The non-resident individuals are taxed only on the income that arises to them from a Swiss source.
A company is considered resident if its seat (registered office) or place of effective management is in Switzerland. An individual is considered resident based on several factors, such as the centre of his vital interests or the place of abode (30 days combined with a gainful activity or a stay of 90 days without such activity in each calendar year).

### 2. Corporate Tax

The tax period is the calendar year or financial year.

The corporate income tax flat rate, at the federal level, is 8.5% (effective rate of 7.83% taking in consideration the deductibility of the federal tax). The cantons may set their own rates (same for companies and cooperatives); the communal corporate income taxes are a surcharge on the cantonal taxes.

The capital gains are part of the business income. There is a participation relief when a minimum of 10% capital is held. The company losses can be carried forward for seven tax years, but not carried-back.

### 3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|---|---|
| Dividends | 35% |
| Interest | 35% on Swiss bonds and bank deposits<br>3% on loans secured by immobile property<br>0% for qualifying interest under EU-Swiss Savings Agreement |
| Royalties / know-how | No |
| Management fees | No |
| Technical fees | No |

### 4. Resident individual tax rates

| Taxable Income (progressive) | Tax Rate |
|---|---|
| Tax is progressive and depends on Canton and Municipality | Rage varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal |

| Taxable Income (capital gains) | Tax Rate |
|---|---|
| If derived from private transactions | Not subject to tax |

| Taxable Income (dividends) | Tax Rate |
|---|---|
| 0.00 + | 35% |

**4. Resident individual tax rates (cont.)**

Certain types of income (for example capital gain, inheritances and gifts) are exempt. The taxpayers may claim:

- a tax bonus per dependent child in the amount of CHF 200-250 per month;
- a spouse allowance in the amount of CHF 60'000 per year.

**5. Non-resident individual tax rates**

The non-resident individual tax rates are in principle the same with the resident individual tax rates. The scope of taxable income is different.
The capital gains on sale of shares in resident companies are not subject to federal income tax unless they are derived in the course of a business; the capital gains on sale of immovable property depend on the canton.

**6. Goods and Services tax**

The Value Added Tax is levied in Switzerland:

- on the supply of goods and services for consideration performed in Switzerland by taxable persons;
- on private use of goods and services;
- on the imports of goods and services for consideration.

The standard rate is 7.7% (8% before 1 January 2018). The reduced rate of 3.7% is applied to certain goods (for example basic foodstuffs, books, antibiotics and orthopaedic items). The reduced rate of 2.5% is applied to certain goods (for example food and beverages - except for alcoholic beverages and services rendered in the hotel or catering sectors; medicines; books and newspapers). Some goods and services are VAT exempt (for example health, social, financial and educational/cultural services).

The taxable persons are obligated to register for VAT purposes when the taxable turnover exceeds, throughout the last 12 calendar months, the registration threshold of CHF 100'000.
Persons liable to customs duty are subject to VAT on the import of goods.
The import of services rendered by companies who have their business establishment outside the Swiss territory leads to tax liability if a recipient consumes imported services with a total value exceeding CHF 10'000 annually.

**7. Estate duty**

Switzerland does have a real estate tax, on cantonal or communal level. There is no federal real estate tax. There are also inheritance taxes, but not on direct descendant and not at the federal level.

**8. Stamp duty**

Yes (1% on the issuance of securities above CHF 1 million).

**9. Property tax**

The real estate are included in the wealth taxation of the individual. Profits realized by selling real estate are subject to real estate gain tax at cantonal level. The tax is due on the realized profit (i.e. selling price minus purchase price and investments). The real estate transfer tax varies from canton to canton and in general, the longer a real estate has been held, the lower the tax is.

**10. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| I&W Tax Return | Individuals | By April 30th in the year following the tax year |
| I&W Tax Return | Companies | By June 30th in the year following the tax year |

* It depends on the canton. Various extensions are available.

## 11. Double Tax Agreements

Switzerland concluded 93 tax treaties to avoid double taxation. Switzerland also signed the Multilateral Instrument (the MLI) on June 7th, 2017.

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:

| | Dividends % | | Interest %* | Royalties % |
|---|---|---|---|---|
| | Individuals, companies | Qualifying companies | | |
| | % | % | % | % |
| Domestic Rates | | | | |
| Companies: | 35 | 0 | 0/3/35 | 0 |
| Individuals: | 35 | n/a | 0/3/35 | 0 |
| Treaty Rates | | | | |
| Albania | 15 | 5 | 0/5 | 5 |
| Algeria | 15 | 5 | 0/10 | 10 |
| Argentina | 15 | 10 | 12 | 3/5/10/15 |
| Armenia | 15 | 5 | 0/10 | 5 |
| Australia | 15 | 0/5 | 0/10 | 5 |
| Austria | 15 | 0 | 0 | 0 |
| Azerbaijan | 15 | 5 | 5/10 | 5/10 |
| Bangladesh | 15 | 10 | 0/10 | 10 |
| Belarus | 15 | 5 | 5/8 | 3/5/10 |
| Belgium | 15 | 0 | 0/10 | 0 |
| Bulgaria | 10 | 0 | 0/5 | 0 |
| Canada | 15 | 5 | 0/10 | 0/10 |
| Chile | 15 | 15 | 5/15 | 5/10 |
| China (People's Rep.) | 10 | 0/5 | 10 | 9 |
| Colombia | 15 | 0 | 0/10 | 10 |
| Croatia | 15 | 5 | 5 | 0 |
| Cyprus | 15 | 0 | 0 | 0 |
| Czech Republic | 15 | 0 | 0 | 5 |
| Denmark | 15 | 0 | 0 | 0 |
| Ecuador | 15 | 15 | 0/10 | 10 |
| Egypt | 15 | 5 | 0/15 | 12.5 |
| Estonia | 10 | 0 | 0 | 0 |
| Faroe Islands | 15 | 0 | 0 | 0 |
| Finland | 10 | 0 | 0 | 0 |
| France | 15 | 0 | 0 | 5 |
| Georgia | 10 | 0 | 0 | 0 |
| Germany | 15 | 0 | 0 | 0 |
| Ghana | 15 | 5 | 0/10 | 8 |
| Greece | 15 | 5 | 7 | 5 |
| Hong Kong | 10 | 0 | 0 | 3 |

**11. Double Tax Agreements**

| | Dividends % | | Interest %* | Royalties % |
|---|---|---|---|---|
| | Individuals, companies | Qualifying companies | | |
| | % | % | % | % |
| Hungary | 15 | 0 | 0 | 0 |
| Iceland | 15 | 0 | 0 | 0/5 |
| India | 10 | 10 | 0/10 | 10 |
| Indonesia | 15 | 10 | 10 | 10 |
| Iran | 15 | 5 | 0/10 | 5 |
| Ireland | 15 | 0 | 0 | 0 |
| Israel | 15 | 5 | 5/10 | 5 |
| Italy | 15 | 15 | 12.5 | 5 |
| Ivory Coast | 15 | 15 | 15 | 10 |
| Jamaica | 15 | 10 | 0/5/10 | 10 |
| Japan | 10 | 0/5 | 0/10 | 0 |
| Kazakhstan | 15 | 0/5 | 10 | 10 |
| Kosovo | 15 | 0/5 | 5 | 0 |
| Korea (Rep.) | 15 | 5 | 5/10 | 5 |
| Kuwait | 15 | 15 | 10 | 0/10 |
| Kyrgyzstan | 15 | 5 | 5 | 5 |
| Latvia | 15 | 0 | 0/10 | 0/5 |
| Liechtenstein | 15 | 0 | 0 | 0 |
| Lithuania | 15 | 5 | 0/10 | 0/5/10 |
| Luxembourg | 15 | 0/5 | 0/10 | 0 |
| Macedonia (FYR) | 15 | 5 | 0/10 | 0 |
| Malaysia | 15 | 5 | 10 | 10 |
| Malta | 15 | 0 | 0/10 | 0 |
| Mexico | 15 | 0 | 5/10 | 10 |
| Moldova | 15 | 5 | 0/10 | 0 |
| Mongolia | 15 | 5 | 0/10 | 5 |
| Montenegro | 15 | 5 | 10 | 10 |
| Morocco | 15 | 7 | 10 | 10 |
| Netherlands | 15 | 0 | 0 | 0 |
| New Zealand | 15 | 15 | 10 | 10 |
| Norway | 15 | 0 | 0 | 0 |
| Mongolia | 15 | 5 | 0/10 | 5 |
| Montenegro | 15 | 5 | 10 | 10 |
| Morocco | 15 | 7 | 10 | 10 |
| Netherlands | 15 | 0 | 0 | 0 |
| New Zealand | 15 | 15 | 10 | 10 |
| Norway | 15 | 0 | 0 | 0 |
| Oman | 15 | 0/5 | 0/5 | 8 |
| Pakistan | 20 | 10 | 10 | 10 |

**11. Double Tax Agreements**

| | Dividends % | | Interest %* | Royalties % |
|---|---|---|---|---|
| | Individuals, companies | Qualifying companies | | |
| | % | % | % | % |
| Peru | 15 | 10 | 10/15 | 10/15 |
| Philippines | 15 | 10 | 10 | 15 |
| Poland | 15 | 0 | 0/5 | 0/5 |
| Portugal | 15 | 0/5 | 0/10 | 0/5 |
| Qatar | 10/15 | 5 | 0 | 0 |
| Romania | 15 | 0 | 0/5 | 10 |
| Russia | 15 | 0/5 | 0 | 0 |
| Serbia | 15 | 5 | 10 | 10 |
| Singapore | 15 | 5 | 0/5 | 5 |
| Slovak Republic | 15 | 0 | 0/5 | 0/10 |
| Slovenia | 15 | 0 | 0/5 | 0/5 |
| South Africa | 15 | 5 | 5 | 0 |
| Spain | 15 | 0 | 0 | 0/5 |
| Sri Lanka | 15 | 10 | 5/10 | 5/10 |
| Sweden | 15 | 0 | 0 | 0 |
| Taiwan | 15 | 10 | 10 | 10 |
| Tajikistan | 15 | 5 | 10 | 5 |
| Thailand | 15 | 10 | 10/15 | 5/10/15 |
| Trinidad and Tobago | 20 | 10 | 10 | 10 |
| Tunisia | 10 | 10 | 10 | 10 |
| Turkey | 15 | 5 | 5/10 | 10 |
| Turkmenistan | 15 | 5 | 10 | 10 |
| Ukraine | 15 | 5 | 0/10 | 0/10 |
| United Arab Emirates | 15 | 5 | 0 | 0 |
| United Kingdom | 15 | 0 | 0 | 0 |
| United States | 15 | 5 | 0 | 0 |
| Uruguay | 15 | 5 | 0/10 | 10 |
| Uzbekistan | 15 | 5 | 0/5 | 5 |
| Venezuela | 10 | 0 | 5 | 5 |
| Vietnam | 15 | 7/10 | 10 | 10 |

"This chart is based on information available up to 15.2.2019. Effective date: 1.1.2019." For more information for each countries, please visit: https://www.estv.admin.ch/estv/de/home/internationales-steuerrecht/fachinformationen/quellensteuer-nach-dba.html


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# TURKEY

## 2019 TAX CARD (In Turkish Liras)

### 1. Basis of Taxation

The Turkish income tax year runs from 1 January to 31 December. There are two fundamental platforms determining liability to Turkish tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Turkey taxes non-resident individuals and corporations on income arising to them from sources within Turkey only.

The residence jurisdiction involves the taxation of Turkey's resident individuals and corporations on income arising both in foreign countries and Turkey itself. Residents of Turkey are subject to Turkish tax on their worldwide income.

### 2. Corporate Tax

A Turkish resident company is subject to company tax, a non-resident company is taxed on its Turkish source income at the same rate as a resident company. The following tax rates apply to companies for the income year:

| Year | Other Corporate Tax Entities |
|---|---|
| 2017-2018 | 20% |
| 2018-2020 | 22% |

### 3. Withholding tax rate (non-treaty)

| | Resident | Non-resident Individual/ Corporation |
|---|---|---|
| Dividends | 15% | 15% |
| Interest | 10% | 10% |
| Royalties/know-how | 20% | 20% |
| Rents (for moveable property) | 20% | 20% |
| Management fees | 20% | 20% |
| Technical fees | 20% | 20% |
| Directors' fees | 20% | 20% |
| Directors' fees | As wages | As wages |

### 4. Resident individual tax rates

| Taxable Income TRY | Tax Payable TRY |
|---|---|
| 0-18.000 TRY | 15% |
| 18.001-40.000 TRY | 18.000+%20 of excess over 18.000 |
| 40.001-98.000 TRY | 40.000 + %27 of excess over 40.000 |
| 98.001-148.000 TRY | 98.000 + %35 of excess over 98.000 |
| 148.000 + | %35 |

**5. Non-resident individual tax rates**

| Taxable Income TRY | Tax Payable TRY |
|---|---|
| 0-18.000 TRY | 15% |
| 18.001-40.000 TRY | 18.000+%20 of excess over 18.000 |
| 40.001-98.000 TRY | 40.000 + %27 of excess over 40.000 |
| 98.001-148.000 TRY | 98.000 + %35 of excess over 98.000 |
| 148.000 + | %35 |

**6. Stamp duty**

Stamp duty is applied on a case by case basis. Stamp duty is mainly applied to real property transfers or some transfers of shares/units where the Company/Trust in which shares/units are being transferred holds real property or prepared contract and all official document which is recognised by official authorities.

Rates of duty vary between 0,00189 to 0,00948 of the related amount. In any case, it can not exceed 2,642,810 TRY for 2019.

**7. Property tax**

Property tax is applied while buying or selling any real estate and the rate around 0,002 and 0,004 of the related amount.

**8. Income tax filing deadlines**

| Types of Form | | Deadlines* |
|---|---|---|
| Tax Return | Individuals | 31 March |
| Tax Return | Companies | 30 April |

Tax payers can set a special accounting period if tax authority approve the related application.

**9.Double tax agreements**

There is approximately 89 DTA applied which contain almost all income issues without VAT.



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# UKRAINE

## 2019 TAX CARD (In Ukrainian Hryvnas)

### 1. Basis of Taxation

The Ukrainian income tax year runs from 1 January to 31 December.
Tax-residents individuals and corporations are taxed on their worldwide income (with the possibility to deduct Ukrainian income tax for income taxes paid abroad).
There are two fundamental types of taxation for companies – taxation of the profit (income tax) and gross turnover taxation (simple tax).
Simple tax can be used by companies with a yearly gross income under 5 000 000 hryvnas, with additional restriction to provide some types of activities (financial, banking, provider services etc).

### 2. Corporate Tax

Corporation tax is a tax, in principle payable annually, on all profits generated in France by companies and other legal entities.

A Ukrainian resident company is subject to company tax, a non-resident company is taxed on its Ukrainian source income at the rate of 15% unless double taxation treaty is used to avoid non-resident income taxation in Ukraine. Ukrainian resident companies pay 18% tax from it's profits.

Small-business companies (with a yearly gross income under 5 000 000 hryvnas) can use simple-tax, which is 5% from gross income (without VAT) or 3% from gross income for VAT-payers.

### 3. Withholding tax rate (non-treaty)

| Type of Income | Resident individuals | Non-resident Individual/Corporation | |
|---|---|---|---|
| Dividends | 19.5% | 19.5% | 15% |
| Interest | 19.5% | 19.5% | 15% |
| Royalties/know-how | 19.5% | 19.5% | 15% |
| Rents (for moveable property) | 19.5% | 19.5% | 15% |
| Management fees | 19.5% | 19.5% | 15% |
| Technical fees | 19.5% | 19.5% | 15% |
| Directors' fees | 19.5% | 19.5% | 15% |

Numerous international tax double-taxation treaties concluded between Ukraine and other countries can significantly reduce or eliminate the withholding taxes indicated above. For some of them, the amount of withholding tax rate can be reduced to zero, to get non-resident tax, the income in a country of its residence.

### 4. Resident individual tax rates

In Ukraine, personal income tax is in principle a comprehensive tax levied on an individual's total income in a given year. For different types of income (i.e. salary, dividends, profit from operation with corporate rights etc.) monthly-period taxation, or a yearly-taxation is stipulated.
At default, residents pay two types of tax from the non-commercial income
Residents pay two types of tax from the non-commercial income:

- Income tax with a rate of 18%
- Military tax with a rate of 1.5%

**4. Resident individual tax rates (cont.)**

Two taxes mentioned above shall be paid from all taxed income of a physical person resident. For such types; income as salary, payment for the provision of work and services under the contract, in addition social security tax is paid.
Social security tax 22% is payed by the employer himself, without any tax withholding from employee's income. For an individual private entrepreneur, social security tax is paid by the person himself, with a minimum rate of 22% from the minimum monthly salary (in 2019 – 918,90 UAH).
Special tax rate of 5% and 9% are provided for some types of income (dividends, dividends from non-residents).

**5. Non-resident individual tax rates**

Non-residents individual tax rates are identical to the tax rates for residents. Unless double-taxation rules are applied, non-resident's income is taxed at the same rate as a Ukrainian resident individual.

**6. VAT Tax**

VAT is levied at a rate of 20%. Entities have to register once turnover reaches 1 000 000 hryvnas turnover.
Rate of 7% is applied to pharmacy goods
0% rate is applied to international shipping services and the export of goods from from Ukraine.

Non-resident suppliers and platform operators which import goods in Ukraine pay VAT during the goods customs clearance.
Tax codes stipulate a number of operations which which are not taxed if the place of their provision is not Ukraine territory. Also, the number of operations of the provision of services on Ukraine territory is not VAT-tax according to the provisions of the Tax code.

**7. Estate tax**

Estate duty is not paid in Ukraine.
Although, operation with real estate is taxed with a rate of 1% by Pension duty.

**8. Stamp duty**

Stamp duty is not paid in Ukraine. Although state duty is provided as an official payment for provision of some administrative or state services, official payment for notary certification etc. Its amount varies depending on the type of operation according to the special State duty law.

**9. Property tax**

In Ukraine two different taxes are paid: Real estate tax and Land tax.
The base of taxation is land area either real estate area. Land tax is applied at a percentage rate from a land pecuniary valuation (basic tax rate is 1%) or land areas (tax rate depends on land localization).

**10. Income tax filing deadlines**

| Types of Form | | Resident individuals |
|---|---|---|
| Tax Return | Individuals | 30 April |
| Tax Return | Companies | Varies depending on income |
| Tax Return | Partnerships | NA |
| Management fees | NA | NA |
| Technical fees | NA | NA |
| Directors' fees | NA | NA |

| | |
|---|---|
| **11. Double Tax Agreements** | The Ukraine has signed 68 international tax treaties have been put in place to prevent tax treaties were signed with foreign countries to avoid double taxation. |



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# UNITED KINGDOM
## 2019 TAX CARD (IN GBP)

### 1. Basis of Taxation

Income is taxed on an annual basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their UK income.

The main taxes in the UK are as follows:

- taxes on income (income tax, national insurance and corporation tax)
- Sales tax (VAT)
- Capital taxes
- Property Taxes
- Inheritance Tax

### 2. Corporate Tax

The rate of corporation tax on profits other than ring fence profits is 19% for both large and small companies.

A reduction in the main rate of corporation tax to 17% with effect from 1 April 2020 has already been enacted.

Chargeable gains are subject to tax at the normal corporation tax rate.

Ring fence profits continue to be taxed at 30% (main rate) for profits over £1,500,000 and 19% (small profits rate) for profits up to £300,000, with a marginal rate of 32.75% (the profit limits are reduced proportionately for the number of related 51% group companies). The supplementary charge is 10%.

| Year to | 31.3.2019 | 31.3.2020 |
|---|---|---|
| Corporation Tax rate | 19% | 19% |
| **Research & Development Relief (R&D)** | **31.3.2019** | **31.3.2020** |
| SME enhanced expenditure deductions scheme* | 130% | 130% |
| Large company R&D Expenditure Credit (RDEC) scheme** | 12% | 12% |

*Additional deduction for qualifying R&D
**Taxable expenditure credit for qualifying R&D SMEs that make losses can surrender the deduction to HMRC in exchange for a payment of 14.5% of the loss

| Main Capital Allowances | | |
|---|---|---|
| **Plant & Machinery** | | |
| Pre 1.1.19: 100% Annual Investment Allowance (AIA) | £200,000 | 100% |
| 1.1.19 – 31.12.20 | £1,000,000 | 100% |
| **Other rates** | | |
| Energy/water efficient equipment | 100% | |
| Writing down allowance: General pool (reducing balance) | 18% | |
| Writing down allowance: Special rate pool (reducing balance) | 6% | |
| The special rate pool includes long-life assets, integral plant in buildings, thermal insulation | | |

## 3. Income Tax

Income tax is paid by individuals on monies earned from employment, self employment, pensions, rental income, Trust income.

Please note, separate income tax rates apply to Scotland.

The personal allowances and rates are as follows:

| Income tax | | |
|---|---|---|
| **Allowances** | **2018/19** | **2019/20** |
| Personal Allowance (PA)* | £11,850 | £12,500 |
| Marriage Allowance** | £1,190 | £1,250 |
| Blind Person's Allowance | £2,390 | £2,450 |
| Rent A Room Relief*** | £7,500 | £7,500 |
| Trading Income*** | £1,000 | £1,000 |
| Property Income*** | £1,000 | £1,000 |

*PA will be withdrawn at £1 for every £2 by which "adjusted income" exceeds £100,000. There will, therefore, be no allowance given if adjusted income is above £125,000 (2018/19: £123,700).
**Part of the PA that is transferable to a spouse or civil partner who is not a higher or top rate taxpayer.
***If gross income exceeds it, the limit may be deducted instead of actual expenses.

| Rate Bands | 2018/19 | 2019/20 |
|---|---|---|
| Basic Rate Band (BRB) | £34,500 | £37,500 |
| Higher Rate Band (HRB) | £34,501 - £150,000 | £37,501 – 150,000 |
| Additional rate | Over 150,000 | Over 150,000 |
| Personal Savings Allowance (PSA) | | |
| Basic Rate Taxpayer | 1,000 | 1,000 |
| Higher Rate Taxpayer | 500 | 500 |
| Dividend Allowance | 2,000 | 2,000 |
| BRB (Scotland: intermediate rate band) and additional rate threshold are increased by a person's pension contributions (up to a permitted limit) and Gift Aid donations. | | |

| Tax Rates | 2018/19 & 2019/20 | | |
|---|---|---|---|
| Rates differ for General/Savings/ Dividend Income | G | S | D |
| Basic Rate | 20% | 20% | 7.5% |
| Higher Rate | 40% | 40% | 32.5% |
| Additional rate | 45% | 45% | 38.1% |

General income (salary, pensions, business profits, rent) usually uses personal allowances, basic rate and high rate bands before savings income (interest). Scottish taxpayers are taxed at different rates on general income (see below).

To the extent that savings income falls in the first £5,000 of the basic rate band, it is taxed at nil rather than 20%. The PSA taxes interest at nil, where otherwise it would be taxable at 20% or 40%.

Dividends are normally taxed as the "top slice" of income. The DA taxes the first £2,000 of dividend income at nil, rather than the rate that would otherwise apply.

**3. Income Tax (cont.)**

| Income Tax – Scotland | 2018/19 | | 2019/20 | |
|---|---|---|---|---|
| | Band | Rate | Band | Rate |
| Starter Rate | £2,000 | 19% | £2,049 | 19% |
| Basic Rate | £2,001 - £12,150 | 20% | £2,050-£12,444 | 20% |
| Intermediate Rate | £12,151 - £31,580 | 21% | £12,445-£30,930 | 21% |
| Higher Rate | £31,581 - £150,000 | 41% | £30,931-£150,000 | 41% |
| Top Rate | Over 150,000 | 46% | Over £150,000 | 46% |

The Scottish rates and bands do not apply for savings and dividend income which are taxed at normal UK rates.

| Remittance basis charge | | |
|---|---|---|
| For non-UK domiciled individuals who have been UK resident in at least | 2018/19 | 2019/20 |
| 7 of the preceding 9 tax years | £30,000 | £30,000 |
| 12 of the preceding 14 tax years | £60,000 | £60,000 |
| 15 of the preceding 20 tax years | Deemed to be UK domiciled | |

**4. Goods and Services tax**

### Value-added tax ("VAT")

VAT is a tax on consumer expenditure and applies to goods and services supplied in the UK.

Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer.

VAT is borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided by the customer and pays it to the UK Tax Authorities (HMRC). Deductions are available for VAT incurred on businesses expenditure.

The UK VAT rates are as follows:

- Standard rate: 20%
- Reduced rates: 0% & 5%
- Exemption: 0%

VAT returns and payments have to be done on a quarterly basis, although businesses who receive refunds of VAT can elect to use monthly returns.

VAT exemptions exist for taxable persons with low turnover.

Businesses and organizations are required to be registered for VAT in the UK if their taxable turnover in a 12-month period exceeds £85,000 or there is an expectation that turnover will exceed £85,000 in the next 30 days. Voluntary VAT registration is available for businesses and organizations with taxable turnover below the threshold level.

## 5. Inheritance Tax

Inheritance Tax is a tax on the estate (the property, money and possessions) of someone who's died.

There is no Inheritance Tax to pay if either:

- the value of the estate is below £325,000; or
- All assets above £325,000 are left to a spouse, civil partner, a charity or a community amateur sports club

If the estate's value is below the threshold, you'll still need to report it to HMRC.

If a home is gifted to children (including adopted, foster or stepchildren) or grandchildren the threshold can increase to £450,000.

If a person is married or in a civil partnership and an estate is worth less than the above the threshold, any unused threshold can be added to the partner's threshold one partner dies. This means their threshold can be as much as £900,000

| Inheritance Tax | 2018/19 | 2019/20 |
|---|---|---|
| Nil rate band (NRB)* | £325,000 | £325,000 |
| NRB Residential enhancement** | £125,000 | £150,000 |
| Tax Rate on death*** | 40% | 40% |
| Tax Rate on lifetime transfers to most trusts | 20% | 20% |

*Up to 100% of the proportion of a deceased spouse's/civil partner's unused NRB and RNRB band may be claimed in increment the current NRB and RNRB when the survivor dies.
**RNRB is available for the transfer of a main residence to direct descendants. It tapers away at the rate of £1 for every £2 of estate value above £2m.
***Rate reduced to 36% if at least 10% of the relevant estate is left to charity. Unlimited exemption for transfers between spouses/civil partners, except if UK domiciled transferor and foreign-domiciled transferee, where maximum exemption £325,000.

| Reduced tax charge on gifts within 7 years of death | | | | | |
|---|---|---|---|---|---|
| Years before death | 0-3 | 3-4 | 4-5 | 5-6 | 6-7 |
| % of full death tax charge payable | 100% | 80% | 60% | 40% | 20% |

## 6. Land Taxes

Property taxes have been devolved in the UK so different land taxes are applied for sales of land in different areas of the UK.

Stamp Duty Land Tax applies to England & Northern Ireland
Land & Buildings Transaction Tax (LBTT) applies to Scotland
Land Transaction Tax ("LTT") applies to Wales

An Annual Tax on Enveloped Dwellings (ATED) also applies to certain properties owned by a corporate structure.

| Annual Tax on Enveloped Dwellings (ATED) | | |
|---|---|---|
| ATED applies to residential properties valued at more than £0.5m owned by a corporate structure, unless for a qualifying purposes | | |
| Property value | Annual charge to | |
| | 31.3.2019 | 31.3.2020 |
| £0.5m - £1m | £3,600 | £3,650 |
| £1m - £2m | £7,250 | £7,400 |
| £2m - £5m | £24,250 | 24,800 |
| £5m - £10m | £56,550 | £57,900 |

| | | |
|---|---|---|
| £10m - £20m | £113,400 | £116,100 |
| Over £20m | £226,950 | £232,350 |

## 6. Land Taxes

| Stamp Duty Land Tax (SDLT), Land & Building Transaction Tax (LBTT) and Land Transaction Tax (LTT) | | | | | |
|---|---|---|---|---|---|
| Residential Property (1st Property only) | | | | | |
| **SDLT – England & Ni** | | **LBTT Scotland** | | **LTT - Wales** | |
| **£000** | **Rate on Band** | **£000** | **Rate on Band** | **£000** | **Rate on Band** |
| Up to 125 | Nil | Up to 145 | Nil | Up to 180 | Nil |
| 125-250 | 2% | 145-250 | 2% | 180-250 | 3.5% |
| 250-925 | 5% | 250-325 | 5% | 250-400 | 5% |
| 925-1,500 | 10% | 325-750 | 10% | 400-750 | 7.5% |
| Over 1500 | 12% | Over 750 | 12% | 750-1500 | 10% |
| | | | | Over 1500 | 12% |

LTT replaced SDLT in Wales from 1 April 2018
A supplement of 3% of the total purchases price applies for all three taxes where an additional residential property is purchased for more than £40,000 (unless replacing a main residence). It is also payable by all corporate purchasers.

For SDLT:

- From 22.11.17, first-time buyers purchasing a property of up to £500,000 pay a nil rate on the first £300,000 of the purchase price;
- A rate of 15% may apply to the total of the purchase price where the property is valued above £500,000 and purchased by a "non-natural person" (eg a company).

| Non-residential or mixed-use property | | | | | |
|---|---|---|---|---|---|
| **SDLT – England & Ni** | | **LBTT Scotland** | | **LTT - Wales** | |
| **£000** | **Rate on Band** | **£000** | **Rate on Band** | **£000** | **Rate on Band** |
| Up to 150 | Nil | Up to 150 | Nil | Up to 150 | Nil |
| 150-250 | 2% | 150-350 | 1% | 150-250 | 1% |
| Over 250 | 5% | Over 350 | 5% | 250-1000 | 5% |
| | | | | Over 1000 | 6% |

## 7. National Insurance

National insurance contributions are paid by UK workers (and employers) to fund certain state benefits

| National Insurance Contributions (NIC) | | |
|---|---|---|
| **Class 1 (Employees)** | Employee | Employer |
| Main NIC rate | 12% | 13.8% |
| No NIC on first | £166 per week | £166 per week |
| Main rate* charge up to | £962 per week | No limit |
| 2% rate on earnings above | £962 per week | N/A |
| Employment allowances per business | N/A | £3,000 |

## 7. National Insurance (cont.)

| National Insurance Contributions (NIC) | | |
|---|---|---|
| *Nil rate of employer NIC for employees under the age of 21 and apprentices under 25, up to £962pw.<br><br>**Some businesses do not qualify, including certain sole director companies. Employer contributions (at 13.8% are also due on most taxable benefits (Class 1A) and on tax paid on an employee's behalf under a PAYE settlement agreement (Class 1B). | | |
| **Class 2 (Self Employed)** | | |
| Flat rate per week | | £3 |
| Small profits threshold | | £6,365 |
| **Class 3 (Voluntary)** | | |
| Class 3: Flat rate per week | | £15 |
| **Class 4 (Self Employed)** | | |
| On profits £8,424 - £46,350 | | 9% |
| On profits over £46,350 | | 2% |

## 8. Key Dates & Filing Deadlines

| Tax | Deadline | Year |
|---|---|---|
| **Income Tax Self Assessment** | | |
| 1st payment on account | 31 January | 2020 |
| 2nd payment on account | 31 July | 2020 |
| Balancing Payment | 31 January | 2021 |
| Capital Gains Tax* | 31 January | 2021 |
| *Non-residents with gains on UK residential property must pay CGT within 30 days of disposal unless already filing a self-assessment tax return | | |
| | | |
| **Other payment dates** | | |
| Class 1A NIC | 19 July | 2020 |
| Class 1B NIC | 19 October | 2020 |
| | | |
| Corporation Tax is due 9 months and 1 day from the end of the accounting period, unless a "large" company paying by quarterly instalments | | |
| **2017/18 Filing deadlines** | | |
| Issue P60s to employees | 31 May 2019 | |
| P11D, P11D(b) | 6 July 2019 | |
| Self Assessment Tax Return (SATR) paper version | 31 October 2019 | |
| Online SATR if outstanding tax to be included in 2019/20 PAYE code | 30 December 2019 | |
| Online SATR | 31 January 2020 | |

## 9. Double Tax Agreements

The United Kingdom has double taxation treaties with many countries to ensure that people do not pay tax twice on the same income.

For information on the UK's double taxable agreements , please visit : https://www.gov.uk/government/collections/tax-treaties

## 10. Capital Taxes

Capital Gains is a tax on the profit when a person sells (or 'dispose of') an asset that has increased in value. The "gain" s taxed, not the amount of money received, however, there are some exemptions.

| Capital Gains Tax | | |
|---|---|---|
| **Annual exempt amount** | **2018/19** | **2019/20** |
| Individuals, estates | £11,700 | £12,000 |
| Most trusts | £5,850 | £6,000 |
| **Tax Rate** | | |
| Individual (to basic rate limit)* | 10% | 10% |
| Individual (above basic rate limit)* | 20% | 20% |
| Entrepreneurs' Relief (ER)** | 10% | 10% |
| Trusts, estates* | 20% | 20% |
| Investors' Relief (IR)** | N/A | 10% |

*Individuals are taxed at 18%/28% on gains on residential property and receipts of carried interest. Trusts and estates are taxed at 28% in these circumstances.

**Lifetime limit of £10m of qualifying gains. Various conditions apply.



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