

SUGGESTED AMENDMENTS TO EGYPT'S VAT LAW

On June 15th, Ministry of Finance completed the draft amendments to the value-added tax law No. 67 of 2016, and launched them for community dialogue. The amendments are currently undergoing public discussion and consultations with different stakeholders.

Online Declarations



Under the suggested amendments to the value-added tax law, businesses will be required to file VAT and/ or the schedule tax returns electronically every month.

Tax Filing Dates



Under the amendments, VAT returns will be due within one month from the end of the reporting period instead of 60 days. Changes to data submitted in the registration application have to be submitted within 14 days.

Special Economic Zones



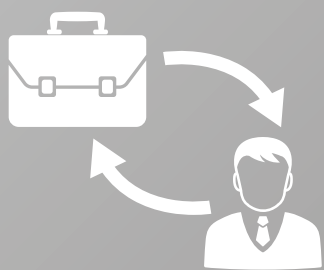
Businesses in special economic zones, including the Suez Canal Economic Zone, would not be required to remit VAT for purchased/ exported goods or services.

Tourist VAT Refunds



Departing tourists would be able to claim VAT rebates on items worth more than EGP 1.5k within 3 months instead of EGP 5k under the current system.

B2C Electronic Bills



When applying the electronic bill from companies to the consumer, the tax can be collected from the consumer and supplied immediately to the authority instead of waiting for the original deadline.*

State Service Donations



Services and goods provided as donations to the state's administrative apparatus, local administration units or public bodies can be tax exempt.

Customs Clearance



Tax authority head can temporarily release, for 3 months, goods imported for production, without extra fines resulting from the delay in releasing them from the relevant customs office.

Fines and Penalties



The amendments impose higher fees on violators of the law or the executive regulations.

Dcode EFC adopts an integrative government relations approach in supporting businesses advocate for policy changes.

We can help in advising, collecting and communicating feedback from businesses.

For further clarification or assistance, please contact via email: GR@dcodeefc.com

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“SCHEDULE” TAX AMENDMENTS



E-COMMERCE VAT AMENDMENTS



*Amendments permit the obligation of some registrants, government agencies, public authorities and other various parties dealing directly with the final consumer to collect under the account and/or schedule taxes that are due for approval and immediate supply.

**So that all commercial shops, hotel facilities and other places governed by special laws shall be taxable.

***Moreover, importers or manufacturers of edible vegetable oils shall notify the Egyptian Tax Authority (ETA) of agencies to which oil is sold, and the disposal manner of imported oil quantities, within 15 days following the month of sale.

****Foreign suppliers who should be registered under the simplified vendor registration regime (the physical or juridical person who is a non-resident of Egypt and is liable to register and account for VAT on the sale of commodities and on imported services to non-registered customers in Egypt).