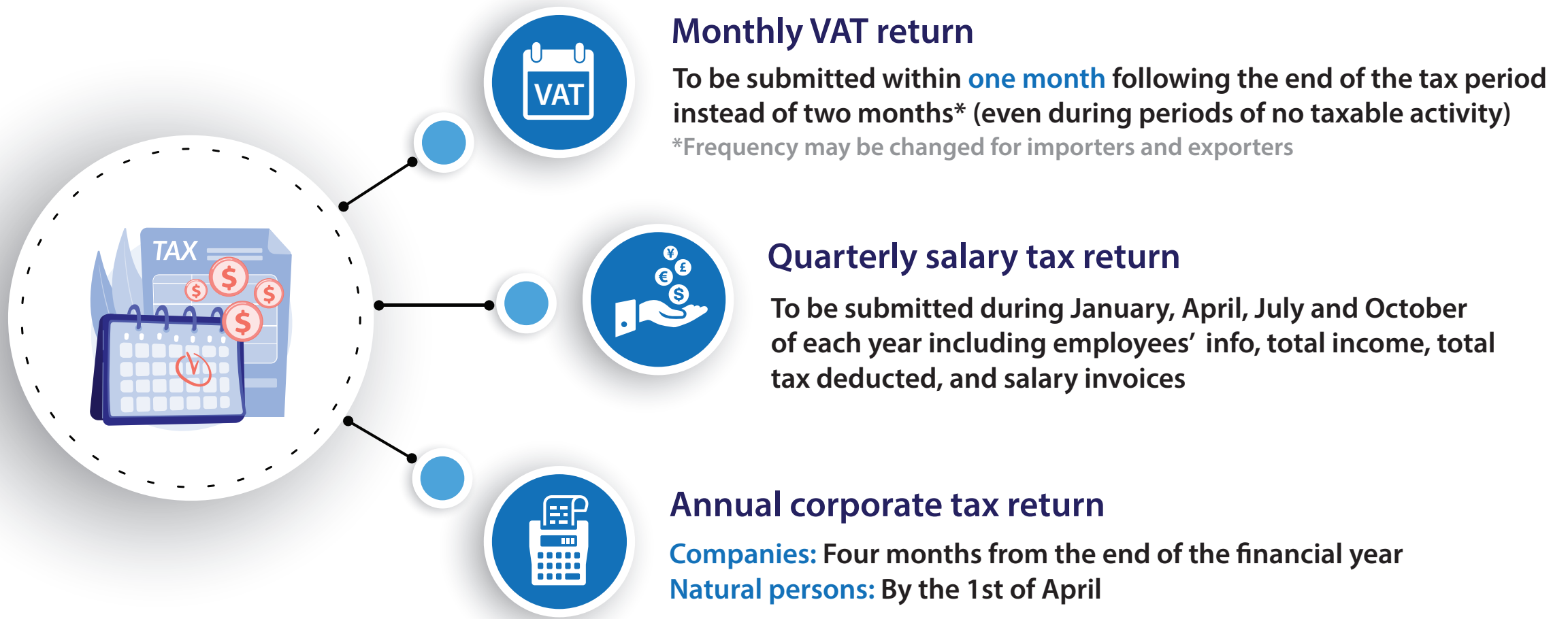


In October 2020, the Official Gazette published Egypt's new Unified Tax Procedures Law No. 206 of 2020 which establishes a unified tax procedures system for filing and regulating direct and indirect taxes including the income tax, value-added tax (VAT), state development tax and stamp duty. Under the law, taxpayers will have a **single tax code** for all taxes' registration which shall be submitted through an **electronic system** with an **e-signature** and a **usage fee** of up to EGP 1,000.

Tax Returns



Tax Appeal



- **Detailed and substantial** appeal letters should be submitted to the Tax Authority (otherwise disregarded)
- Tax payers shall be notified about the committee's date to review the appeal **within 30 days**

Tax Refund



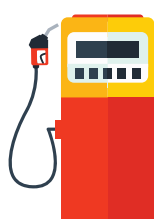
- The tax authority is obliged to use any over-paid taxes to settle the taxpayer's **previous tax obligations** or **refund** them to the taxpayer **within 45 days** from receiving the refund request
- An **interest** of 2% above the CBE's discount rate shall be applied in case the authority fails to meet that deadline

State Development Tax

Businesses addressed by the State Development Tax Law are **required to submit a monthly return** or else be penalized. It is worth noting that the law was amended in June to include the below fees:



5% fee on the total cost of mobile phones and 2.5% on internet bills (commercial)



EGP 0.30 per liter on gasoline and EGP 0.25 per liter on diesel



25% of customs invoices of pet food



EGP 2 fee on stamp tax transactions



2% fee on duty-free shop products



3-10% fee on sport athletes' contracts



EGP 1.5 per kg of raw tobacco (EGP 3 per kg if manufactured)



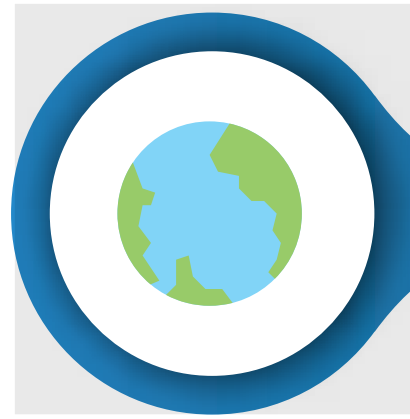
12% fee on concerts & events



EGP 5 fee on real estate publicity documents

Transfer Pricing

Financial transactions with **related parties** of EGP 8 million or more should be submitted to the Tax Authority through the following documents:



Master File

An overview of the group's business operations



Local File

Entity-level information



Country-by-country Report

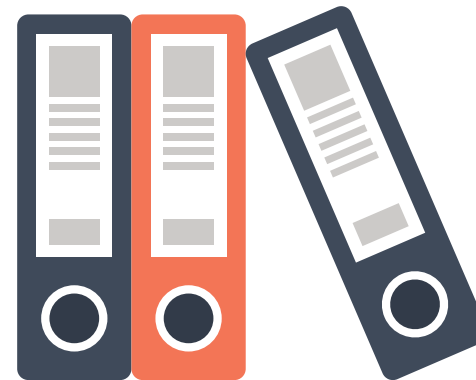
Financial information & key economic activities of the entities

Access to Information



Tax auditors have the right to access taxpayers' premises and request to review documents **without prior notice**.

Document Retention



Taxpayers must maintain tax records and supporting documents for **five years** from the date of submitting the tax return.

Advance Ruling



The law shortens the period for the Tax Authority to **release an opinion** when a ruling application is submitted to 30 days.

Clearance Certificate



Tax clearance certificates shall be issued by the Authority **within 40 days** of the date of receiving a taxpayer's request.

Violations & Penalties



EGP 3k up to EGP 50k

Non-compliance with the tax return deadline (**Up to 60 days**)

False information

Non-compliance with filing requirements

EGP 5k up to EGP 200k

Non-compliance with the tax return deadline for **more than 60 days**

Could be doubled or tripled in case of repeated violations

EGP 20k up to EGP 100k

Failing to notify the Tax Authority about changes to the tax registration information **within 30 days**