Doing Business in Lebanon
A tax and legal guide

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Table of Contents

Welcome to this guide

Lebanon has a long tradition of domestic free trade and investment policies with an economy characterised by freedom of exchange and transfers, which is based on private initiative. Lebanon has for many years attracted significant levels of foreign investment in many industries.

This guide is intended to provide an introduction to the taxation and legal aspects of doing business in Lebanon, particularly from the perspective of the items an inbound investor will have in mind.

We hope you find the guide useful.

Dean Kern
Middle East - Tax and Legal Services Leader
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Country introduction

Overview

The Republic of Lebanon is situated in the Levant on the eastern most part of the Mediterranean Sea, with Israel to the south and Syria to the north and east. Lebanon is divided into six governorates, with Beirut as the capital. The currency is the Lebanese pound (LBP). Lebanon is a parliamentary democratic republic.

The Lebanese economy is service-oriented, and its main growth sectors include banking and tourism. GDP reached 2.5% in 2014, compared to 1.5% in 2013, according to the Central Administration for Statistics.

The government continues to favour a strong role for the private sector in a liberal policy environment.

Arabic is the official language, with English widely spoken and used in business.

Legal and regulatory framework

In essence, Lebanon follows the 'civil law system'. It acquired the main elements of its judicial and legal systems under the French mandate (1920-1943) and has retained most of them to date.

The President is elected by the parliament for a six-year term. The President and Parliament choose the Prime Minister. Executive power is exercised through a Council of Ministers appointed by the Prime Minister and approved by the Parliament. The Government determines overall policy, appoints senior administrators and submits proposed legislation to Parliament.

The Legislative Branch consists of a single-chamber Parliament of 128 members.

Trading and investment policies

Lebanon has a free market pricing for most goods and services, unrestricted exchange and trade system and extensive links with the developed world in practically all economic activities. The Government has maintained a generally non-interventionist position toward private investment in order to encourage foreign investment. The freedom of exchange in Lebanon allows foreign investors to import and export capital freely in any form they wish.

Public ownership has generally been limited to infrastructure and utilities. There are no restrictions on the movement of capital and goods by residents and non-residents, including on entry or exit of firms or on access to foreign exchange, which makes Lebanon a supportive system for private sector development.

Foreign ownership of real estate restrictions

The following restrictions apply to foreign ownership of real estate:

- Up to 3,000 square metres does not require Council of Ministers approval.
- Exploitation and normal lease right extending for a period of more than ten years cannot be attained without obtaining approval.
- Real estate owned by foreigners, for which approval has been obtained, cannot exceed, over all of the Lebanese territory, 3% of the total area of Lebanon. In each province, the total area owned should not exceed 3% of its area. With respect to Beirut, the total area owned should not exceed 10% of its area.
  The approval is nullified if not acted upon during a period of one year.
- When approval is granted, the building on the real estate should be constructed within a period of five years (renewable once by the Council of Ministers).

Establishment of business

Introduction

Although local commercial law is based on the French model, no mechanism exists for an individual or legal entity to incorporate himself or itself and one-shareholder companies are not allowed. Lebanon's commercial law provides for a range of business entities available to both local and foreign investors.

Companies

In Lebanon, investors can choose from a range of companies that are detailed as follows:

Sole proprietorships

An individual of Lebanese or foreign nationality may engage in a business activity as a sole proprietor. Sole proprietors must abide by the general regulations of the Code of Commerce.

Partnerships

An individual can be a partner in an existing or newly formed partnership. Such partnerships take the form of a separate legal entity and may transact business in its own name.

Under Lebanese laws there are two distinct types of partnerships:

1. General partnerships

   General partnerships are formed by two or more persons who are personally and jointly liable for the debts and obligations of the partnership. The insolvency of the partnership automatically results in the insolvency of the partners. The transfer of parts in the partnership is subject to the unanimous agreement of all partners. Parts are not negotiable. General partnerships may be managed by one or more partners or any person designated in the articles of association or in any subsequent agreement.

2. Limited partnerships

   Limited partnerships are formed by two types of partners:

- General partners with unlimited liability, who are in charge of management.
- Limited partners with limited liability capped to the amount of their capital contribution with no rights to interfere in the management of the partnership.

Joint-stock companies (SAL)

Lebanese joint-stock companies are permitted to engage in all kinds of business activity. Shareholders of a SAL have no liability beyond their actual capital subscriptions.

The minimum capital requirement is LBP 30 million. With a small number of exceptions (such as real estate companies and exclusive commercial representation), there are no limits on the amount of capital that can be held by foreign investors.

The management of a SAL is entrusted to a board of directors with a minimum of three and a maximum of twelve members. The majority of the board members must be Lebanese, but the chairman may be a foreign national, subject to adequate residency and work permits.

The financial statements of a SAL must be audited on an annual basis by a principal auditor appointed by the shareholders. The commercial court of the district in which the SAL's head office is located, appoints a supplementary auditor.

Limited liability companies (SARL or LLC)

Members of an LLC are partners, the company's capital is divided into parts rather than shares. Minimum capital is LBP 5 Million. Partners are liable only to the extent of their parts.

A limited liability company is managed by one or several directors (managers) who may be selected from among the partners. The general assembly of partners must meet at least once a year.

Limited liability companies offer the same liability protection as the SAL (joint stock companies), but are subject to smaller capital requirements and only require one auditor.
The transfer of parts in a limited liability company is subject to the consent of partners representing at least three-quarters of the capital. Existing partners enjoy priority in the purchase of parts offered for transfer.

It is worth mentioning that insurance, banking, fund management, or air transportation entities may not incorporate as Limited liability companies.

Holding companies

Holding companies must be registered as a SAL and, with a few exceptions, are subject to the same regulations as a joint-stock company. The business objectives of a holding company are restricted to the following:

- To own shares or parts in Lebanese or foreign joint stock corporations and limited liability companies, whether they already exist or are in the process of being formed;
- To manage companies in which the holding company owns shares or parts;
- To lend to companies of which the holding company owns at least 20%, or to guarantee such companies towards third parties. For that purpose, a holding company may borrow from banks or issue debenture bonds, provided that the total value of the bonds issued at any given time does not exceed five times the amount of the holding company's capital and its reserves, as indicated in the last audited balance sheet;
- To own patents, licences, trademarks and other reserved rights, and to lease them to companies active in Lebanon or abroad;
- To own moveable or immovable properties, provided that their use is confined to the requirements of the holding company's activities and with consideration to existing limits on the foreign ownership of real estate.
- Holding companies require only one auditor.

Lebanese holding companies are exempt from CIT and from WHT on dividends. However, they are subject to a tax on their paid-up capital and reserves. In any given tax year, total tax payments on paid-up capital and reserves are capped at LBP 5 million.

Offshore companies

The business objectives of an offshore company are limited. They are involved in trade and other restricted activities strictly outside the Lebanese territories.

Offshore companies require only one auditor. They are registered as SAL companies and are exempt from CIT and from the WHT on dividends, and are instead subject to a lump-sum annual tax of LBP 1 million. Contracts related to offshore activities outside Lebanon are exempt from Lebanese stamp duty.

Branches of foreign companies

In addition to dealing through wholly or partially owned local companies, foreign companies can also choose to establish a branch in Lebanon.

Brief facts of a branch office:

- Foreign companies can open branch offices that can undertake any business activity not illegal under Lebanese law.
- Registration procedures are simple and there are no performance requirements or other conditions.
- Profits of branches are taxed at a rate of 15% and are deemed to be distributed as dividends subject to a dividend distribution tax rate of 10%.
- They are not subject to capital requirements.
- Branch offices require only one auditor.

Representative offices

Foreign companies may open representative offices in Lebanon. Representative offices are not allowed to engage in activities that would generate profits in Lebanon. Even though they are required to maintain financial records, they are not subject to income tax since they do not generate income in Lebanon.

Joint Ventures

Under Lebanese law, joint ventures are commonly used for specific projects in the construction industry and other sectors, but are not recognized as separate corporate entities under local laws and are established through a contract between two or more local and/or foreign parties.

Process and Time for Establishment

All Lebanese and foreign individuals and companies intending to undertake business in Lebanon must register at a commercial court within two months of the date of commencement of business or acquisition of an official business address. Any subsequent changes or modifications relating to the nature or ownership of the business must also be registered in the commercial register within two months of the date of their occurrence. Upon initial registration, a written summary of the memorandum of association should be submitted in two copies containing the stamps and signatures and containing a list of information.

The estimated time to complete the registration is between 10 and 15 days after receipt of the documents appropriately authenticated by the competent authorities and legalised by the Lebanese Embassy or Consulate.

Sole proprietorships and partnerships

Foreigners wishing to operate sole proprietorships or partnerships must first obtain a work and residence permit.

Joint-stock companies (SAL)

It takes up to a week to register a company once all the required documents are available.

Branch offices

Branch offices are not subject to minimum capital regulations.

If the head of the branch office is a foreigner, he must obtain a residence and work permit.

Applications for the establishment of a branch office should be addressed to the Ministry of Economy. They must include the name of the parent company, the address of its registered head office and details of its capital structure.

Representative offices

Registration requirements for representative offices are the same as for branch offices.

Other entities

Registration costs of a SARL (LLC), holding and offshore entities are approximately the same as for a SAL.

Key considerations

By way of summary, investors in Lebanon may choose to invest through a range of types of entities. Legal structures commonly used by foreigners in conducting business in Lebanon are joint-stock companies (SAL), limited liability companies (SARL) or branch offices. It is worth noting that joint stock companies have higher capital requirements than limited liability companies. With only few exceptions in areas such as real estate companies and exclusive commercial representation, foreign investors are allowed to own in a Lebanese company without limitation. Investors may acquire shares of existing local firms or establish their own companies in Lebanon.

Registration process is an easy process and the estimated time to complete the registration shouldn't exceed 10 to 15 days after receipt of the appropriate documents by the competent authorities.

Taxation

Source model

In Lebanon, tax is charged on the total income or profits derived in Lebanon. Based on the income tax law and the principle of territoriality, the main premise for considering a profit to have been realised in Lebanon is if it was generated through an effort or activity exerted in Lebanon. Tax is levied on all corporeal/natural and incorporeal/artificial persons, resident in Lebanon or outside, on all profits that they generate in Lebanon.

General taxation considerations

Under the income tax law in Lebanon, tax is levied based on income type. Accordingly, the income tax law divides income into the following three categories:
Chapter I - profits from industrial, commercial, and non-commercial professions.

Chapter II - salaries and wages and pension salaries.

Chapter III - revenues from moveable capital. This chapter mainly covers all types of dividend income, board member appropriations from profits and interest income, including interest on bonds and treasury bill.

The income tax law does not provide for a single tax on income treatment. Accordingly, where a taxpayer has income from different sources, each type of income is taxed according to the tax chapter it falls under.

Taxpayers

Residency rules

In Lebanon there is no clear definition of residency however an individual, establishment or company is considered resident for tax purposes, even if not physically resident in Lebanon, when any of the following two conditions are satisfied:

- Having an office or a fixed place of business in their name in Lebanon, even when they are not undertaking their business in a normal and repetitive manner.
- Practising a profession or business activity in a normal or repetitive manner in Lebanon, even if they do not have a known registered place of business in Lebanon.

  This is because they are considered to have practised their profession from the place in which they contact their customers, even if such place is a hotel.

Non-resident taxpayers can consist of persons residing in Lebanon and outside Lebanon. Any person residing in Lebanon is subject to the non-resident WHT if neither of the above conditions are satisfied.

A person residing outside Lebanon is subject to the non-resident WHT on the amounts, revenues, profits, or proceeds obtained from Lebanon as a result of undertaking an activity in whole or in part on Lebanese territory or as a result of exploiting rights in Lebanon.

Permanent Establishment (PE)

There are no clear provisions in the Lebanese income tax law to define PE.

Corporate – taxes

Corporate Income tax (CIT)

Not all businesses are taxed in the same manner. Depending on the relative size and structure of a business, the tax method applied is assessed depending on real (or actual) profits or deemed profits.

1- Real profit method

Tax is computed based on the real profit method on the taxpayer's net profits. The tax rate is fixed at 15% of the taxable result.

2- Deemed profit method

A deemed profit method is imposed on insurance and savings institutions, taxable transport companies, oil refineries, and public work contractors. For insurance companies, the deemed profit rate ranges from 5 to 10% depending on the type of insurance activities.

For income derived from personal business, tax is levied on deemed profits at progressive rates of 4%-21% for sole proprietorships and partnerships.

Permanent exemptions from CIT

Companies and organisations that are granted an indefinite exemption from CIT include the following:

- Educational institutions.
- Hospitals, orphanages, asylums, and other shelters that admit patients free of charge.
- Shipping, sea, and air transport associations (subject to certain restrictions).
- Farmers, provided they do not display farm produce and cattle outlets or sell products and meat after conversion tax.
- Syndicates and other types of professional associations.
- Miscellaneous non-profit organisations and co-operatives.
- Holding companies and offshore companies.
- Public sector bodies that do not compete with private institutions.

Non-resident WHT

Revenues earned by non-residents in Lebanon are subject to an effective WHT of 2.25% on revenue from the sale of materials and equipment, and 7.5% on the revenue in the case of sale of services.

Capital gains tax

Under local legislation, companies are permitted to revalue their fixed assets every five years. Capital gains recognised from such a revaluation, as well as any profits that may be realised from the disposal of fixed assets, are subject to a capital gains tax of 10%.

Income from disposal of shares realised by a company is subject to 10% capital gains tax when the shares are classified as financial assets on the company's balance sheet.

Income from disposal of shares realised by a company whose main activity is the acquisition of investments is subject to 15% CIT.

WHT on interest

The income, revenues, and interest earned from accounts opened at Lebanese banks and from treasury bonds are subject to a 5% WHT that is non-refundable and cannot be carried forward. This WHT is considered as an advance payment on the current CIT due.

WHT on dividends

Tax is withheld from dividends paid to resident and non-resident shareholders/partners at a rate of 10%. The dividend distribution tax rate may be reduced to 5% under specific conditions.

Movable capital WHT

A 10% WHT is levied on income derived from movable capital generated in Lebanon. Taxable income is comprised of the following:

- Distributed dividends, interest, and income from shares.
- Directors' and shareholders' fees.
- Distribution of reserves or profits.
- Interest from loans to corporations.

Payroll taxes

Employers are responsible for withholding and declaring payroll taxes on behalf of their employees. Payroll tax is levied at progressive rates of 2% to 20%.

Payroll tax is subject to the territoriality principle. Salaries and wages are subject to tax in Lebanon when the beneficiary from the salary is resident in Lebanon, when the service against which the salary is paid is performed in Lebanon or when the salary is charged to an entity in Lebanon.

Social security contributions

Social security contributions are the following:

- Borne by the employer: 7% for the maternity and sickness benefit schemes, on a maximum of LBP 2.5 million per month, and 6% for the family benefit schemes, on a maximum of LBP 1.5 million per month, in addition to 8.5% of total annual earnings for the end of service indemnity, with no ceiling.
- Borne by the employee: 2% for the maternity and sickness benefit scheme, on a maximum of LBP 2.5 million per month.

Value-added tax (VAT)

The standard VAT rate in Lebanon is 10%. Unless specifically exempt, VAT is levied on all commercial transactions undertaken by business entities. Export of goods and services and export-related services, international transport, and some of the intermediate operations are zero-rated. Banking, financial services, and insurance operations are exempt from VAT.

Note that since 17 May 2013, the recharge of expenses from an entity in Lebanon to another entity abroad is not considered an export activity and therefore is subject to VAT at 10%.

Built property tax (BPT)

The BPT is an annual progressive tax, ranging between 4% and 14% of net rental proceeds.

Net rental proceeds are defined as gross rental proceeds less allowable deductible expenses, such as depreciation and management costs.

Stamp duty

Two kinds of stamp duties are levied on contracts and agreements. A proportionate stamp duty of 0.3% is levied on all deeds and contracts (written or implied) that mention specific payments or other sums of money. A fixed stamp duty ranging between a minimum of LBP 100 and a maximum of LBP 2 million is applicable on documents in accordance with schedules appended to the stamp duty law.

Custom duties

Customs rates are imposed and modified according to decisions from the Lebanese customs authorities. These decisions are adopted based on the need of the Lebanese markets for some goods and the will to protect national production sectors.

Safeguard measures are provided for in relation to imported goods. The purpose behind such measures is to protect the domestic production sectors when an increase of imports is witnessed when compared to the same period during the previous year.

Customs rates in Lebanon are either determined in percentage or paid as a lump sum per unit of imported products.

The rates are determined based on a specific schedule created in conformity with the Harmonised System of Nomenclature. This conformity with the unified system allows Lebanon to represent an 'importer friendly' environment for importers.

The normal rates are applied where there is no preferential agreement. When the origin of the good or part of the good is from a country with which Lebanon has a preferential customs treatment, preferential rates apply.

Excise taxes

Excise taxes are mainly applicable in Lebanon on certain beverages and spirits, tobacco products, gasoline, and vehicles.

License fee

A new Decision no. 142/1, dated 23 February 2015, relating to imposing an annual lump sum licence fee was introduced.
This Decision will become effective in 2016. With some exception for certain types of companies (holdings and offshore companies, institutions exempt from tax as per Article 5 of the income tax law), the annual lump sum licence fee for joint stock companies is as follows:

- LBP 2 million for joint stock companies.
- LBP 750,000 for limited liability companies.
- LBP 550,000 for establishments assessed based on real profit.
- LBP 50,000 for taxpayers assessed on assumed profits.

The above mentioned licence fees apply to local head offices, branches, outlets, and to any place in which the taxpayer carries on its activity or receives customers. For income tax purposes, the lump sum licence fee is considered as a non-deductible expense.

Corporate – Other issues

Accounting requirements

All business enterprises are required to maintain adequate financial records which should not be maintained in Arabic.

Companies are required to adopt an accrual basis of accounting for financial accounting purposes and following the International Financial Reporting Standards ('IFRS').

Electronic filing

Taxpayers are required to submit their payroll tax, VAT, and BPT declarations electronically.

Taxpayers need to fill an electronic registration by visiting the MoF website www.finance.gov.lb

The MoF provides the taxpayer with an envelope including the e-Pin needed to access his account on the MoF website.

The E-filing service is currently available for VAT, payroll tax and BPT declarations only.

CIT filing should be done through Libanpost since the e-filing for CIT is still not applied yet. The MoF is working to include the CIT declarations within the e-filing system.

Transfer pricing

In Lebanon, there are no clear and detailed transfer pricing or general anti-avoidance rules. However, even in the absence of clear transfer pricing rules, exchanges or transactions made between related parties should be done on an arm's-length basis.

The tax administration has the right to reassess related-party transactions and adjust their value in order to reflect the taxable amount related to the period under study.

Tax ruling process

In practice, it is possible to obtain an advance tax ruling from the Lebanese tax authorities.

Thin capitalisation

In Lebanon, there are no clear or detailed thin capitalisation rules.

Controlled foreign companies (CFCs)

There are no CFC rules in Lebanon.

Foreign tax credit

There are no specific regulations concerning foreign tax credit in Lebanon.

Reinvestment incentives

Industrial companies using operating profit to finance certain capital investments are exempt from up to 50% of their CIT liabilities for a period of up to four years, provided that such exemptions do not exceed the original investments made. In areas designated 'development zones', 75% of a company's tax liabilities may be exempt.

In order to take advantage of this regulation, investments should consist of capital expenditures designed to increase a company's manufacturing capacity or of investments in housing facilities for the company's staff and other employees.

Key considerations

Lebanon follows the principle of territoriality for taxation purposes. It is worth noting that in Lebanon there are no clear definitions of residency and permanent establishment (PE). The local rules and regulations refer to basic principles of transfer pricing and anti-avoidance rules.

Although there is no clear definition of residency, a person is considered tax resident based on many criteria that should be taken into consideration when conducting business activities on the Lebanese territories.

On the other hand, transfer pricing cases may be challenged by tax authorities even though there's no clear set rules.

Additional legal consideration

Employees – additional considerations

Entry to Lebanon by employees

Every foreigner seeking entry to Lebanon to practice a certain profession or work, with or without pay, is required to obtain a prior approval from the Ministry of Labour. The foreigner shall apply abroad, through the official Lebanese mission or an authorized representative of the concerned person in Lebanon.

If the foreign applicant is a salary earner, the employer is required to submit to the Ministry of Labour an application wherein he/she declares his/her approval to receive the foreign worker.

Work Permit

Any foreigner who obtains prior approval from the Ministry of Labour, is required to apply for a work permit at this Ministry within a maximum period of ten days as of the date of his/her entry to Lebanon. The Ministry may revoke the prior approval if the foreigner fails to arrive to Lebanon within a maximum period of three months from the date of approval.

The work permit may be granted and renewed for a maximum period of two years from the date of its issuance.

Residency Permit

Any foreign employer/employee should apply for a residency permit at the General Security Directorate, and submit the required documents.

Labour Legislation

The Ministry of Labour is the entity responsible for developing and implementing the Labour Law. Employment contracts are generally concluded in written form (although this is not obligatory). Written contracts shall be formulated in Arabic, but could be translated to a foreign language if the employer or the salaried person is a foreigner and unacquainted with the Arabic language. The standard working time is eight hours per day or the equivalent of 48 hours per week as set by the Labour Law guidelines.

The annual minimum paid leave is 15 days.

Termination of employment

The employer and the employee can mutually agree to break a written work contract at any time, in which case there is no payment for damages or entitlements. However, in situations where one party breaks the contract, the injured party is entitled to seek compensation. If the employee was dismissed without any notification period, he should be compensated for the notification he's entitled to, according to certain brackets.

Totalisation agreements

A foreign national employee working in Lebanon will benefit from the social security fund only if:

- There is a reciprocal agreement between the two countries (i.e. their home country offers the equivalent or better program to Lebanese residents who are employed there) and
- The employee holds a valid work and residency permit.

Countries with which there is a totalisation agreement thus far include:

- France
- Belgium
- Italy
- United Kingdom

Registration with the Chamber of Commerce

If a local or foreign company wants to engage in trading activities, it must also be registered at one of the four local chambers of commerce and industry.

Intellectual property

The law in Lebanon does not contain a clear definition of author's rights. It protects all products of the human intellect whether written, pictorial, sculptural, scriptural, or oral regardless of its value, importance, destination, or form of expression.

Patents

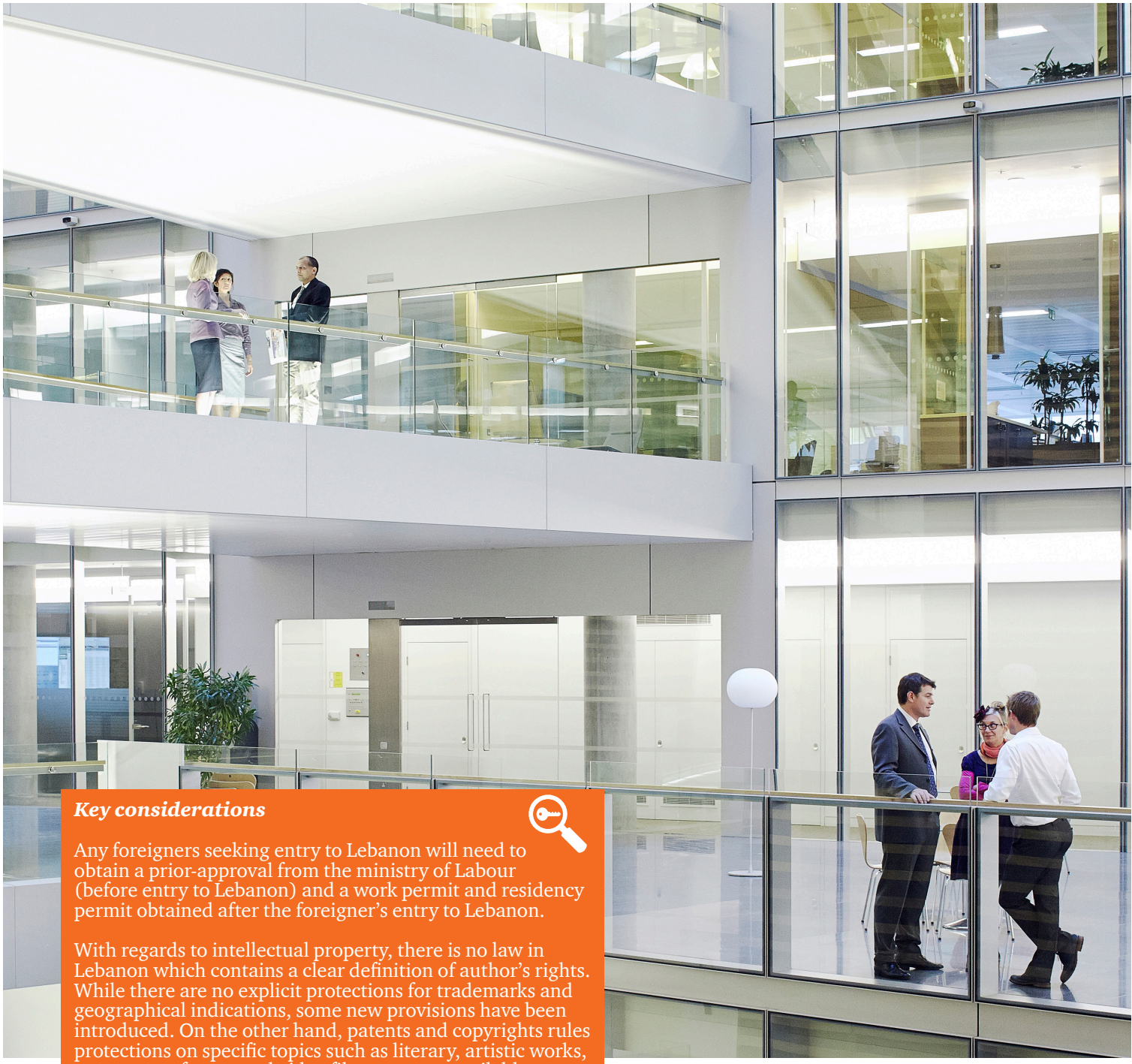
The law provides a patent protection for inventions and plant varieties and a unique protection for layout designs of integrated circuits. Furthermore, the law provides protection for undisclosed information.

Trademarks

The law does not explicitly protect notorious trademarks and geographical indications. However, those are provided protection via Lebanon's membership to the Paris Convention. Moreover, geographical indications are provided protection under the provisions of the new Law on Customs, the Law on Fraud Control and the Criminal Law.

Copyrights

The copyright protection originally available to literary and artistic works is now extended to computer software, video films and all kind of audio-visual works. The law provides stiffer penalties for offenders and better compensation to the persons whose rights have been infringed. The manner in which the copyright is breached has also been extended.



Key considerations

Any foreigners seeking entry to Lebanon will need to obtain a prior-approval from the ministry of Labour (before entry to Lebanon) and a work permit and residency permit obtained after the foreigner's entry to Lebanon.

With regards to intellectual property, there is no law in Lebanon which contains a clear definition of author's rights. While there are no explicit protections for trademarks and geographical indications, some new provisions have been introduced. On the other hand, patents and copyrights rules protections on specific topics such as literary, artistic works, computer software and video films are now available.

It is worth noting that when contracting for foreign trade, existing double taxation treaties with 29 different countries should be taken into consideration.

Lebanon key tax indicators

Tax indicators	Resident	Non-resident *
Fiscal year end	Calendar year. However, another year end can be used provided permission is granted in advance by the Lebanese Tax Authorities	Not Applicable
Companies		
Income tax	For limited liabilities and joint stock companies (SARL, SAL) and branches: 15%; For offshore and holding companies: Exempt (Lump Sum annual Tax); and For sole proprietorship/partnership: from 4% to 21%.	Incomes subject to a withholding tax of: (i) 2.25% for revenues from the sale of materials and equipment and (ii) 7.5% for services
Tax on capital gains	10% (15% on gains realised from disposal of shares by a company whose main activity is acquisition of investments)	Not Applicable
General sales tax	Not Applicable	Not Applicable
Value added tax	There is a flat VAT-rate of 10%. Generally, an exemption may apply to certain financial operations and a nil-rate may apply to exports of goods and services.	Not Applicable
Individuals		
Individual marginal tax rate (max)	Progressive rates up to: (i) 20% for wages and salaries and (ii) 21% for business income.	No non-resident individual income tax, but Lebanon sourced income may attract a withholding tax (see above)
Basis of taxation	Salary paid from Lebanon or abroad or other Lebanese source income	Lebanese source income
Withholding tax		
Dividends	10% (5% in certain conditions)	10% (5% in certain conditions)
Interest	5% on bank deposits and bonds	5% on bank deposits and bonds
Royalties	Not Applicable	7.5%
Management service fees	Not Applicable	7.5%
Customs	Goods : 0% to 39%, Alcoholic beverages: 55% to 100% and 100% on certain luxury goods.	
Exchange controls	None	None
Thin capitalisation	No clear or detailed thin capitalization rules.	
Transfer pricing	There are no specific transfer pricing documentation requirements, but transactions should be at arm's length.	
Double tax treaties	Algeria, Armenia, Bahrain, Belarus, Bulgaria, Cyprus, Czech Republic, Egypt, France, Iran, Italy, Jordan, Kuwait, Malaysia, Malta, Morocco, Pakistan, Poland, Qatar, Romania, Russia, Senegal, Oman, Syria, Tunisia, Turkey, UAE, Ukraine, Yemen.	
Treaties awaiting conclusion or ratification	Canada, Cuba, Gabon, Sudan.	

** Not tax resident in Lebanon and no permanent establishment in Lebanon.*

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