

# Egypt: Issuance of Law No.153 of 2022.

August 2022



## In brief

Following the positive impact of introducing several tax incentives and facilities to taxpayers in Egypt over the past few years, the Egyptian government has decided to reintroduce the Amnesty Law to encourage taxpayers to settle their outstanding tax liabilities.

The Amnesty Law No.153, issued on 28 July 2022 and effective as of 29 July 2022, introduces waiving a portion of delay interest and additional taxes due on outstanding duties and taxes.

The law also provides the re-enactment of law 79 of 2016 in relevance to the tax dispute resolution.

## In detail

### Amnesty Application

The Amnesty Law offers waiving 65% of all the outstanding delay interests or additional taxes due, before the enactment of this law, on taxpayers in case the following conditions are collectively fulfilled:

- 1) The taxpayer shall settle, in full, the outstanding principal amount of the duty/tax debt, starting from 29 July 2022 (effective date of the law) until 31 August 2022.
- 2) The taxpayer shall settle, in full, the remaining non-pardoned 35% of the delay penalties or additional taxes before 1 March 2023.

Taxpayers that have already settled the outstanding principal amount of the duty/tax debt before 29 July 2022 will also be eligible to enjoy the 65% amnesty as long as they fulfill the second condition as mentioned above.

The application of the Amnesty Law provisions does not constitute the right of refunding any delay interests or additional taxes that were settled before the enactment of this law.

### Amnesty Scope

The amnesty provisions shall be applicable on the delay interests and additional taxes stipulated within the following laws:

- 1) Customs duty law No. 66 of 1963;
- 2) Stamp tax law No. 111 of 1980;
- 3) State development duty law No. 147 of 1984;
- 4) Income tax law No. 157 of 1981;
- 5) Sales tax law No. 11 of 1991;
- 6) Income tax law No. 91 of 2005;
- 7) Real estate tax law No. 196 of 2008;
- 8) Value added tax law No. 67 of 2016;
- 9) Customs duty law No. 207 of 2020.

### Tax Dispute Resolution

Dispute resolution committees were formed according to law No. 79 of 2016 to facilitate the resolution of tax disputes, alongside the traditional appeal stages of tax audits.

The dispute resolution committees will continue to resolve any pending tax dispute requests and will be willing to receive new tax dispute requests until 31 December 2022.


# The takeaway

- Taxpayers will be able to enjoy 65% amnesty of delay interests and additional taxes in case the principal amount of the debt was settled prior the issuance of the law or before 31 August 2022.
- Taxpayers must settle the full amount of the remaining delay interests and additional taxes (i.e., 35%) before 1 March 2023 in order for the amnesty to be applied.
- In case delay interests/additional taxes were settled before the enactment of the amnesty law, taxpayers are not entitled to refund these amounts.
- Tax dispute resolution committees will continue to accept new dispute resolution requests until 31 December 2022.

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## Let's talk

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