



INCOME TAX LAW AND ITS EXECUTIVE REGULATIONS

2024 EDITION

“ISSUED BY THE GENERAL TAX AUTHORITY”

LAW NO. (24) OF 2018 PROMULGATING THE INCOME TAX LAW

**CABINET DECISION NO. (39) OF 2019 ISSUING THE EXECUTIVE
REGULATIONS OF THE INCOME TAX LAW PROMULGATED
UNDER LAW NO. (24) OF 2018 AND ITS AMENDMENTS**

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We, Tamim bin Hamad Al Thani, Emir of the State of Qatar,

After perusing the Constitution and:

Law No. (21) of 2009 on Income Tax,

Law No. (17) of 2014 on Exempting the Shares of Non-Qatari Investors in the Profits of Certain Companies and Investment Funds from Income Tax,

Law No. (2) of 2015 on the State's Financial System,

Emiri Decision No. (77) of 2018 on Establishing the General Tax Authority,

The Proposal of the Minister of Finance,

The Draft Law presented by the Cabinet,

And after consulting the Shura Council,

We have decided on the following Law:

PROMULGATION ARTICLES

Article 1 - Promulgation

The provisions of the attached Income Tax Law shall be applied.

Article 2 - Promulgation (Amended by Law 11/2022)

Without prejudice to the provisions of Articles (9, second Clause/section 2) and (13) of the attached Law, the provisions of the attached Income Tax Law shall not apply to the following:

1. Ministries and other governmental agencies, as well as public authorities and institutions.
2. International organizations and their offices and branches operating in the state.
3. Salaries, wages, allowances, and their equivalents.
4. Inheritances, legacies, and capital gains resulting from the sale of an inheritance or a share therein or any right included therein.

Article 3 - Promulgation

The Cabinet shall issue, based on the proposal of the Minister of Finance, the Executive Regulations of the attached Law. The Minister of Finance shall issue the necessary decisions to implement its provisions. Until these Regulations and decisions are enforced, the current Regulations and decisions in force shall continue to be applied, provided they do not conflict with the provisions of the attached Law.

Article 4 - Promulgation

Law No. (21) of 2009 and Law No. (17) of 2014 referred to above are hereby repealed, along with any provision that contradicts the provisions of this Law and the attached Law. The existing tax exemptions as of the date of the enforcement of the attached Law shall continue until their specified duration expires.

Article 5 - Promulgation

All competent authorities, each within its jurisdiction, shall implement this Law. It shall come into force from the date of its issuance and shall be published in the Official Gazette.

Tamim bin Hamad Al-Thani

Emir of the State of Qatar

Promulgated on: 6/4/1449 H

Corresponding to: 13/12/2018 AD

SECTION ONE: DEFINITIONS

Article (1) - (Amended by Law 11/2022)

In applying the provisions of this Law and its executive Regulations, the following words and phrases shall have the meanings assigned to them unless the context requires otherwise:

Minister: The Minister of Finance.

Authority: The General Tax Authority.

President: The President of the Authority.

Tax: Income tax.

Person: Any individual, company, or any other body of persons.

Entity: Any legal person, or any legal arrangement that maintains separate financial accounts.

Activity: A profession, craft, trade, industry, venture, or any work aimed at profit or income, including the exploitation of movable and immovable property.

Responsible Person: The chairman of the board, the managing director, the authorized manager, or any person representing the company, entity, or establishment, or managing its business, as the case may be.

Non-Profit Organization: Any entity that meets the following criteria:

1. It is established and operates in the state or in a foreign country where it is resident for tax purposes, in either of the following cases:
 - a. Exclusively for religious, charitable, scientific, artistic, cultural, sports, educational, or other similar purposes.
 - b. As a professional organization, business association, chamber of commerce, labor organization, agricultural organization, or civil association working exclusively to promote social welfare.
2. It is exempt in the state or in the foreign country where it is resident for tax purposes, from income tax on income resulting from the activities mentioned in the previous clause.

3. It has no shareholders or members with ownership or beneficial rights in its income or assets.
4. No private person or profit-making entity claims its income or assets, and it does not distribute its income or assets to any private person or profit-making entity, except in accordance with the administration of the charity's activities, reasonable compensation for services rendered, use of property or capital of the entity, or payment representing the fair market value of the property purchased by the entity.
5. All assets of the entity, upon its termination, dissolution, or liquidation, are distributed or returned to a non-profit organization, the government, or any political (administrative or regional) subdivision or governmental entity, as the case may be, in the state or in the foreign country where it is resident for tax purposes, and not distributed or returned to any entity that conducts business unrelated directly to the purposes for which the entity was established. This includes private associations and institutions, charities, and private institutions of public benefit.

Project: Conducting any work that generates income or profit.

Qatari Project: A project managed by a resident in the state.

Foreign Project: A project managed by a resident in a foreign country.

Business: Performing professional services and other independent activities.

Permanent Establishment: A fixed place of business through which the project conducts its activities, wholly or partially.

Immovable Property: Real estate, including buildings and lands, and property rights, including rights to payments for the exploitation of natural resources and related rights.

Distributed Profits:

1. Income from shares, usufruct shares, mining shares, founders' shares, or other rights to participate in profits, excluding claims for debts.
2. Income from other rights in companies subject to the same tax treatment as income from shares under the laws of the state where the distributing company resides.

Interest:

1. Income from debt claims of any kind, whether secured by a mortgage or not, whether carrying a right to participate in the debtor's profits or not, particularly income from government securities and income from bonds and debentures, including premiums and prizes associated with these securities or bonds or debentures.
2. Income from Islamic financial instruments where the essence of the contract is akin to a loan, similar to Murabaha, Istisna, Mudaraba, Musharaka, Ijara, and Sukuk contracts.

Royalties: Payments of any kind received as consideration for:

1. The use of or the right to use any copyright of literary, artistic, or scientific works, including cinematographic films or films or tapes used for radio or television broadcasting, or any patent, trademark, design or model, plan, secret formula or process, or for the use of or the right to use industrial, commercial, or scientific equipment.

The use of or the right to use information concerning industrial, commercial, or scientific expertise.

Fees for Technical Services: Any payments for any service of an administrative, technical, or consultancy nature.

Resident: Every individual who has a permanent home available to him in the state, or who has stayed in the state continuously or intermittently for more than one hundred eighty-three (183) days in the year, or who holds Qatari nationality, and any entity that has its place of establishment in the state, provided that its main and actual place of management and control is in the state.

Tax Return: A declaration of income, expenses, exemptions, and due tax submitted by a person according to the form approved by the Authority.

Arm's Length Principle: The principle under which transactions between related entities are recorded by reference to the terms that would have been obtained between independent enterprises in similar transactions and under similar circumstances.

Foreign Tax: Tax actually paid to a foreign country.

Financial Year: The accounting period for which the project prepares its financial statements, which is the calendar year or twelve (12) consecutive months ending on the last day of any month except December, with the President's authorization.

Gross Income: The total income of the taxpayer in the financial year.

Net Income: Gross income after deducting the allowable deductions under this Law.

Taxable Income: Net income after deducting losses in accordance with this Law.

Actual Place of Management (APoM): The place where the executives and senior management employees of the entity make strategic, commercial, administrative, financial, and operational decisions for the entity, or where they perform their daily work, and where employees and other staff conduct the daily activities necessary to operate the entity.

Taxpayer: Every natural or legal person or any other entity obliged to pay tax or perform other tax duties stipulated by this Law and the relevant Regulations and decisions.

Regulation: The executive regulation of this Law.

SECTION TWO: SCOPE OF TAXATION

Chapter I: Tax Liability

Article 2 (Amended by Law 2022/11)

An annual tax is imposed on the total taxable income of the taxpayer arising from sources in the state during the previous tax year.

Article 2 Bis (Added by Law 2022/11)

“Income of a Qatari project from real estate located abroad, and income resulting from the direct use, rental, or general use of immovable property in any other form, is subject to tax, taking into consideration the following:

1. The Qatari project benefiting from the income from the immovable property does not conduct business in the foreign country where the income-generating property is located through a permanent establishment there.
2. The immovable property for which the income is actually paid is not effectively connected with this permanent establishment.

Article 2 Bis/1 (Added by Law 2022/11)

Distributed profits paid by a foreign company resident abroad to a Qatari project are subject to tax, as are interest and royalties arising abroad and paid to a Qatari project, taking into consideration the following:

1. The Qatari project benefiting from the distributed profits, interest, or royalties does not conduct business in the foreign country where the distributing company is resident or where the interest or royalties arose, through a permanent establishment there.
2. The shares, quotas, or other rights on which the distributed profits are paid, the debt claims on which the interest is paid, or the rights or property on which the royalties are paid, are not effectively connected with this permanent establishment.

Article 2 Bis/2 (Added by Law 2022/11)

Technical service fees arising abroad and paid to a Qatari project are subject to tax, taking into consideration the following:

1. The Qatari project benefiting from the technical service fees does not conduct business in the foreign country where the technical service fees arise through a permanent establishment there.
2. The technical service fees are not effectively connected with this permanent establishment.

Article 2 Bis/3 (Added by Law 2022/11)

Profits resulting from the disposal of property abroad by any Qatari project are subject to tax.

Article 2 Bis/4 (Added by Law 2022/11)

If a Qatari project conducts business in a foreign country through a permanent establishment there, the profits attributable to the permanent establishment are not subject to tax, provided they are subject to tax in that foreign country.

Article 2 Bis/5 (Added by Law 2022/11)

Taxable income includes income derived from abroad from the following services:

1. Providing distribution rights for products or services.
2. Payments for providing marketing, procurement, financial brokerage, agency, and other intermediary services.
3. Fees paid for obtaining guarantees or similar financial support.
4. Provision of telecommunications and broadcasting services.

Article 3

Income realized in the state includes:

1. Gross income arising from an activity conducted in the state.
2. Gross income arising from contracts executed wholly or partly in the state.
3. Gross income arising from real estate located in the state, and capital gains arising from the disposal thereof.
4. Gross income arising from shares or quotas of companies resident in the state or listed on its stock markets, and capital gains arising from the disposal thereof.
5. Fees for services paid to headquarters or branches or to associated companies.
6. Interest on loans obtained in the state.
7. Gross income arising from the exploration, extraction, or exploitation of natural resources located in the state.
8. Gross income subject to tax in the state based on a tax agreement, as determined by the regulation.

Chapter II: Tax Exemptions

Article 4 (Amended by Law 2022/11)

Without prejudice to the tax exemptions provided by special laws or international agreements, or as determined according to Article (35) of this Law, the following incomes are exempt from tax:

1. Incomes of associations, private institutions, private charitable associations, and private institutions of public interest established according to the governing Law for any of them.
2. Interest and bank returns due to natural persons who do not conduct taxable activity in the state, whether they are residents or non-residents.
3. Interest and returns on public debt securities and Islamic securities issued according to the provisions of the state's financial system Law, and bonds of public authorities and institutions.
4. Capital gains arising from the disposal of real estate or securities by natural persons, provided the real estate or securities disposed of are not part of the assets of a taxable activity.
5. Capital gains arising from the revaluation of company assets when presented as an in-kind share for contributing to the capital of a resident joint-stock company, provided the corresponding shares are nominal and are not disposed of before five years.
6. Capital gains realized by a Qatari project from the disposal of the following:
 - a. Immovable property located abroad.
 - b. Movable property that is part of the assets of a permanent establishment owned by the Qatari project abroad, including capital gains from transferring ownership of the permanent establishment, whether alone or with the entire project.
 - c. Foreign shares or quotas or other rights.
7. Fees of board members and other similar payments earned by a Qatari project as a board member of a company resident abroad.
8. Dividend profits and other income arising from them if the amounts distributed during the tax year are deducted from the following:
 - a. Profits subjected to tax under the provisions of this Law.
 - b. Profits distributed by a company whose profits are exempt from tax under the provisions of this Law or other laws.
9. Gross income arising from artisanal activities that do not use machinery, with gross income not exceeding two hundred thousand (200,000) riyals annually, and with an average number of workers not exceeding three (3) during the tax year, conducted through a single establishment.
10. The Cabinet may amend the exemption conditions specified in this clause based on the Minister's proposal.
11. Gross income arising from agricultural or marine fishing activities.
12. Gross income earned by non-Qatari companies for air or sea navigation services operating in the state, subject to reciprocity.
13. Gross income of Qatari natural persons residing in the state.
14. Gross income of legal persons residing in the state and wholly owned by Qataris.
15. Profits of legal persons residing in the state in proportion to the shares of the following persons in them:
 - a. Qatari natural persons.
 - b. Legal persons wholly owned by Qataris.
 - c. Legal persons partially owned by Qataris in proportion to their share of profits.

The provisions of this clause do not apply to the shares of legal persons owned by the state, wholly or partially, directly or indirectly, and operating in the field of petroleum operations and petrochemical industries.

Gross income arising from activities authorized for private bodies registered in the state, or registered in another state and licensed to operate in the state, within the limits of their non-profit activities. The non-Qatari investor's share in the profits of companies whose shares are publicly traded in the financial markets.
16. The non-Qatari investor's share in the profits of investment funds whose units are publicly traded in the financial markets.
17. The non-Qatari investor's share in profits from trading all securities, including units of investment funds listed for trading in the financial markets.
18. The Regulation shall specify the conditions and controls for the exemption of incomes mentioned in this Article from tax.

Chapter III: Accounting Period

Article 5

The accounting period for the taxpayer engaging in activity is the tax year.

However, the taxpayer may, after obtaining approval from the Authority, adopt an accounting period different from the tax year, as specified by the Regulation.

Article 6

The taxpayer determines their taxable income based on accrual accounting principles applied in commercial accounting, in accordance with international accounting standards, while taking into account the provisions of this Law and the Regulation.

The taxpayer is not allowed to use other accounting methods unless they have obtained approval from the Authority.

SECTION THREE: TAX CALCULATION

Chapter I: Taxable Income

Article 7

Taxable income is determined based on the gross income arising from all transactions executed by the taxpayer, after deducting allowable deductions and losses stipulated in this Article.

Allowable deductions refer to the expenses and costs incurred by the taxpayer that meet the following conditions:

1. They are necessary to achieve gross income.
2. They have been actually incurred and are supported by documentation.
3. They do not increase the value of fixed assets used in the activity.
4. They are related to the tax year.

The taxpayer may deduct losses incurred during the tax year from the net income of subsequent years.

All of this is as determined by the Regulation.

Article 8

The following expenses and costs are not deductible:

1. Expenses and costs incurred to achieve income exempt from tax.
2. Amounts paid in violation of the laws of the state.
3. Fines and penalties imposed for violating the laws of the state.
4. Expenses or losses related to compensations recovered or recoverable, if such compensations were not included in the taxpayer's gross income.
5. The share of total expenses spent on entertainment, hotels, restaurant meals, vacations, club memberships, and customer gifts, according to the situations, conditions, and rates specified by the Regulation.
6. Salaries, wages, bonuses, and their equivalents, including in-kind benefits, paid to the owner, their spouse, and children, and to partners in a general partnership or limited partnership, and to board members, and to the manager of a limited liability company who directly or indirectly owns a majority of shares in the company.
7. The branch's share of administrative and general expenses of the headquarters or main office that exceed the rate specified by the Regulation.
8. Commissions of agents of foreign companies that exceed the rates specified by the Regulation.
9. Any other non-deductible expenses as per the provisions of this Law or the Regulation.

Chapter II: Tax Rate

Article 9

The tax rate is 10% of the taxable income of the taxpayer during the tax year.

Nonetheless, tax may exceptionally be rated as follows:

1. The tax rate and all other tax conditions stipulated in the agreements related to petrochemical industries, as well as those related to petroleum operations as defined by Law No. (3) of 2007 regarding the exploitation of natural resources and their resources, shall apply, provided that the tax rate in all cases is not less than 35%.
2. Subject to the provisions of tax agreements, a final withholding tax of 5% of the gross amount applies to royalties, interest, commissions, and payments for services performed wholly or partly in the state, and paid to non-residents for activities not related to a permanent establishment in the state, as specified by the Regulation.
3. The tax rate specified in the agreements involving the government, ministries, other government entities, public authorities, or institutions, or their representatives, and concluded before the implementation of this Law, shall apply. If the agreement does not specify a tax rate, a tax rate of 35% shall apply.

SECTION FOUR: TAX OBLIGATIONS

Chapter I: Registration and Notification

Article 10

All taxpayers engaging in any form of business activity or earning taxable income must:

1. Register with the Authority.
2. Notify the Authority of any changes that may affect their tax obligations.
3. Apply to the Authority to obtain a unique tax number.

The Regulation shall specify the conditions, controls, deadlines, and procedures necessary for this.

Chapter II: Filing Tax Returns

Article 11

The taxpayer, even if benefiting from a tax exemption, must submit a return to the Authority on the prescribed form, indicating the taxable income and the amount of tax due.

Subject to the provisions on tax assessment, financial penalties, and limitation periods stipulated in this Law and the Regulation, the taxpayer may, with the approval of the Authority, submit an amended return to correct errors contained in the return for a previous tax year or to include any omissions.

The Regulation shall specify the conditions, controls, deadlines, and procedures necessary for this.

Article 11 Bis (Added by Law 2022/11)

An entity meeting the criteria specified by the Regulation must submit a report to the Authority on the minimum indicators of its core activities, in the manner and within the deadline specified by a decision from the Minister.

An entity shall be deemed not to conduct core activities in the state for any reported financial year in the following cases:

1. If it does not submit the report specified in the first Clause of this Article.
2. If it does not meet any of the minimum indicators of core activity specified by the Regulation.
3. If it does not provide the Authority, upon request, with documentary evidence of these indicators.

The Authority may refuse to issue a tax residence certificate to an entity that does not meet the minimum indicators of core activity.

Chapter III: Accounting Obligations

Article 12

The taxpayer engaging in activity in the state must keep accounting books, records, and documents, in accordance with the state's laws and international accounting standards, and retain them. The Authority may exempt some taxpayers from keeping these books, as specified by the Regulation.

Article 13 (Amended by Law 2022/11)

Government entities, companies, private associations, private charitable associations, private public interest institutions, sole proprietorships, and any other entity specified by the Regulation must notify the Authority of contracts, agreements, and deals they enter into, in accordance with the controls and deadlines specified by the Regulation.

Without prejudice to regional and international tax agreements to which the state is a party, the entities mentioned in the previous Clause shall provide the Authority, upon request, with any relevant information for tax purposes.

Any person residing in the state must provide the Authority, upon its request, with a detailed statement of their financial assets abroad or rights in foreign financial assets if they are suspected, during a tax audit, of committing or participating in the acts specified in Article (26) of this Law.

For the purposes of the previous Clause, foreign financial assets include the following:

1. Financial accounts held with a foreign financial institution.
2. Shares and interests in foreign companies, partnerships, and trusts.
3. Foreign government securities, bonds, and other forms of debt.
4. Real estate or real property rights.

The person required to provide the aforementioned statement must report their foreign financial assets or rights in foreign financial assets even if none of these assets or rights affect their tax obligation for the reported fiscal year.

The statement must be submitted according to the controls and within the deadline specified by the Regulation.

Article 13 Bis (Added by Law 11/2022)

The Authority may obtain information and documents for the purpose of conducting a tax audit or for the purpose of exchanging them with competent foreign authorities, in accordance with agreements related to administrative assistance and exchange of information for tax purposes, from any person or entity that possesses or controls such information and documents.

It is not required for the information requested to be exchanged with foreign competent authorities that the Authority needs it for its tax purposes, or that the Authority conducts an audit on the taxpayer who possesses or controls the information, or who is concerned with the information, or that the acts for which the information is requested are criminal in the state.

The Authority has the right to obtain information for the purposes specified in the first Clause of this Article, in all tax matters, including information related to criminal tax matters.

The Authority also has the right to obtain information for the purposes specified in the first Clause of this Article from any person in the state who possesses or controls such information, regardless of any legal obligation on that person to maintain the confidentiality of the information.

Information is considered under a person's control if they have the legal right, authority, or ability to obtain the information or documents held by another person.

Article 13 Bis/1 (Added by Law 2022/11)

Companies and other entities whose main headquarters or place of effective management is in the state must, if requested by the Authority, provide information identifying their legal owners and beneficial owners, including information about individuals who act as proxies or under any similar arrangement, and information about individuals in a chain of intermediary entities between the relevant company or entity and the beneficial owner.

Partnerships established in accordance with the state's laws or conducting activities in the state must, if requested by the Authority, provide information identifying their partners and beneficial owners.

Trusts established under the state's laws or managed in the state, or where the trustee or agent is a resident of the state, must provide information identifying their beneficial owners, including the grantor or founder, the trustee or agent, the protector or guarantor, as appropriate, and all beneficiaries or classes of beneficiaries, and any other natural person ultimately exercising effective control over the trust.

Non-profit organizations established under the state's laws must provide the Authority with information identifying their founders, board members, existing beneficiaries, and any beneficial owners or persons with authority to represent them.

The information provided by entities and legal arrangements about their legal owners and beneficial owners must be sufficient, accurate, and up-to-date.

SECTION FIVE: AUTHORITY POWERS AND DUTIES

Chapter I: Tax Assessment

Article 14

The tax is assessed based on the taxable income stated in the return, and the return is considered an assessment of the tax and a commitment to pay it on the same day of submission.

The Authority may amend the assessment based on the data provided in the return and its supporting documents, in accordance with the provisions of this Law and the Regulation.

The Authority may also make an estimated assessment based on any available data if the taxpayer fails to submit their tax return or fails to provide the data and supporting documents for the return.

In both cases mentioned in the previous two Clauses, the Authority must notify the taxpayer of the elements of the tax assessment and its value using the prescribed form, either by registered mail or any means that provides proof of receipt.

The liquidator is considered a taxpayer, and tax assessment procedures are taken against them, in accordance with the conditions and controls specified by the Regulation.

Article 15

Subject to the statute of limitations provisions stipulated in this Law, the Authority may not reassess the tax due on the taxpayer for a tax year previously assessed unless new information affecting the taxpayer's tax obligations emerges that was not considered during the previous tax assessment.

The same rules applicable to the initial tax assessment apply to the decision to reassess the tax.

Chapter II: Confidentiality

Article 16 (Amended by Law 2022/11)

Authority employees must maintain the confidentiality of information and documents that come to their knowledge or are in their possession during or due to the performance of their duties.

Authority employees are exempt from this obligation when disclosing such information and documents in the following cases:

1. To the taxpayer or their agent, or to any government entity with the taxpayer's approval, unless disclosure is prohibited by another Law.
2. Upon request from any judicial authority.
3. As part of information exchange procedures under an international or regional tax agreement to which the state is a party.

Any information obtained by the Authority from a competent foreign authority under an agreement related to administrative assistance and exchange of information for tax purposes is considered confidential and may only be disclosed to persons or authorities, including courts and administrative bodies responsible for tax assessment, collection, Law enforcement, or prosecution related to it, or overseeing those functions.

These persons or authorities may only use such information for the purposes mentioned, and they may disclose it in public court proceedings or in judicial decisions. Information obtained by a contracting state may be used for other purposes if the laws of both states permit such use and the competent authority of the state providing the information allows such use.

SECTION SIX: APPEALS AND COMPLAINTS

Chapter I: Appeals

Article 17

The taxpayer may appeal the tax assessment decision within thirty days of being notified by registered mail or any other means that provides proof of receipt.

The appeal shall be submitted to the Authority, and the submission of the appeal shall result in the suspension of the implementation of the tax assessment decision.

If the taxpayer does not submit an appeal within the period specified in the first Clause of this Article, the tax assessment decision becomes final, and the tax becomes due and payable.

Article 18

The Authority shall review the appeal and notify the taxpayer or the responsible person of its decision by any means that provides proof of receipt within sixty days from the date the appeal is submitted.

The lapse of sixty days without a response to the appeal is considered an implicit rejection of the appeal.

If the taxpayer agrees to the Authority's decision regarding the appeal, the tax assessment becomes final based on that decision.

Chapter II: Complaints

Article 19

One or more committees called the "Tax Grievance Committee" shall be established within the Authority, chaired by a judge of the Court of Appeals chosen by the Supreme Judicial Council.

The committee's formation, organization of its work, procedures for complaints before it, and determination of its members' remuneration shall be decided by a resolution from the Cabinet, based on a proposal by the Minister.

The designation of the committee's chairperson and members shall be determined by a decision from the Minister.

The committee is responsible for ruling on requests submitted by taxpayers contesting the Authority's decisions and any other jurisdictions determined by the decision organizing its work. The committee has the authority to reduce financial penalties stipulated in this Law.

The committee must adhere to the general principles and procedures of litigation.

The taxpayer and the Authority may appeal the committee's decision to the Administrative Court of Appeal within sixty days from the date of notification of the decision. The appeal does not suspend the implementation of the committee's decision unless the court decides otherwise.

SECTION SEVEN: TAX COLLECTION AND REFUNDS

Chapter I: Tax Collection

Article 20 (Amended by Law 2022/11)

The taxpayer shall pay the due tax based on the submitted declaration on the same day the declaration is submitted. In the event of being notified of the authority's decision regarding modification or assessment, and upon the expiration of the appeal period stipulated in Article 17 of this Law without submitting an appeal, the taxpayer shall be obligated to pay the tax and related financial penalties within thirty (30) days from the expiration of the aforementioned period.

If the taxpayer agrees with the authority's decision on the appeal, the due tax shall be paid within thirty (30) days from the date of notification of this decision.

In cases other than those specified in the two preceding Clauses, the tax and related financial penalties shall be collected in one payment within thirty (30) days from the expiration of the period stipulated in Article 18 of this Law without response, or from the date of notification of the taxpayer or the responsible person of the authority's response to the appeal.

The Authority may, upon the request of the concerned party, approve the payment of due taxes and related financial penalties in instalments as specified by the Regulations. If the taxpayer fails to pay any instalment on time, all remaining instalments become immediately due.

A taxpayer who has paid a foreign tax on income subject to tax in the state may deduct that foreign tax up to the amount of tax due in the state, taking into account the following:

1. The foreign tax must be an income tax imposed by a foreign state, one of its political subdivisions, or its local authorities.
2. The foreign tax must have been actually paid.
3. The foreign tax must be reduced by any amounts refunded to the taxpayer by the foreign state. Foreign tax on income exempt from tax in the state cannot be deducted.

Chapter II: Seizure of Taxpayer's Assets

Article 21

The President may, in cases where the collection of the tax is at risk of being lost, obtain an order from the judge of urgent matters to impose a precautionary seizure on the taxpayer's assets necessary to collect the tax and related financial penalties, whether in the possession of the taxpayer or others.

These assets are considered to be under precautionary seizure from the date the taxpayer is notified of the judge's order, and the taxpayer may not dispose of them unless the precautionary seizure is lifted by an order from the judge of urgent matters.

The taxpayer and interested parties may appeal the order imposing the precautionary seizure before the competent court within thirty days from the date of notification.

Article 22

If the tax assessment decision and the related financial penalties become final and are not paid by the specified date, the President shall take enforcement seizure procedures on the taxpayer's assets necessary to collect the tax, whether these assets are in the possession of the taxpayer or others.

The Authority may request, by registered mail, any person to provide a statement within thirty days from the date of receiving the letter, specifying the amounts owed to the taxpayer and the due dates. The statement shall include:

- a. The amounts owed to the taxpayer and the due dates.
- b. The amounts in their possession due to the taxpayer from a third party and whether they are authorized to pay the taxpayer on behalf of the third party.

The person mentioned in the previous Clause must pay the amounts owed to the taxpayer on behalf of the Authority up to the amount of the tax and related financial penalties within thirty days from the due date, and the amounts that become due on the date of submitting the statement to the Authority must be paid within thirty days from that date.

If the person fails to submit the statement within the specified period or fails to pay the amounts to the Authority as stipulated in the previous Clause, the Authority shall take enforcement seizure procedures on this person's assets.

To apply the provisions of the first and fourth Clauses of this Article, the Authority shall notify the debtor, and the seizure shall be executed by the Authority in accordance with the provisions of the Law.

The provisions of the second, third, and fourth Clauses of this Article do not apply to banks, except by a court order.

Chapter III: Refund of Tax and Financial Penalties Collected Without Justification

Article 23

Subject to the statute of limitations provisions stipulated in this Law, the taxpayer may request a refund of tax amounts and financial penalties collected from them without justification by submitting a request to the Authority.

The Authority shall notify the taxpayer of its decision regarding the refund request within sixty days from the date of submission.

The taxpayer may appeal to the Tax Grievance Committee if the Authority rejects the refund request or fails to notify the taxpayer of its decision within the specified period.

If the Authority delays in refunding the amounts collected without justification beyond the specified period, the taxpayer is entitled to compensation calculated according to the provisions of the Regulations.

SECTION EIGHT: FINANCIAL PENALTIES AND SANCTIONS

Chapter I: Financial Penalties

Article 24 (Amended by Law 2022/11)

Except for acts that constitute a crime under the provisions of Article (26) of this Law, the President or their delegate may impose financial penalties in the following cases:

1. Any taxpayer who fails to submit the return within the prescribed period according to this Law and the Regulations shall be subject to a financial penalty of (500) five hundred riyals for each day of delay, up to a maximum of (180,000) one hundred eighty thousand riyals.

2. Any taxpayer who fails to pay the tax within the prescribed period according to this Law and the Regulations, and any natural or legal person who fails to remit the withheld tax at the source within the specified dates, shall be subject to a financial penalty of (2%) two percent of the due tax amount for each month or part of a month of delay, not exceeding the amount of the due tax.
3. Any taxpayer who violates the registration and notification provisions stipulated in this Law and the Regulations shall be subject to a financial penalty of (20,000) twenty thousand riyals.
4. Any taxpayer benefiting from a tax exemption who fails to submit the tax return and the required accompanying documents in accordance with the provisions of this Law and the Regulations shall be subject to a financial penalty of (10,000) ten thousand riyals.
5. Any taxpayer who violates the provisions for submitting audited final accounts, maintaining accounting books, and retaining them as stipulated in this Law and the Regulations shall be subject to a financial penalty of (30,000) thirty thousand riyals.
6. Except for government entities, any entity that fails to notify the Authority of contracts, agreements, and transactions it enters into in accordance with the provisions of Article (13) of this Law shall be subject to a financial penalty of (10,000) ten thousand riyals.
7. Any person who fails to withhold tax at the source in accordance with the provisions of Article (9, second Clause, clause 2) of this Law shall be subject to a financial penalty equal to the amount of tax not withheld, in addition to paying the due tax amount.
8. Any person who violates the provisions of the decisions issued in accordance with the provisions of Article (34, second Clause) of this Law shall be subject to a financial penalty not exceeding (500,000) five hundred thousand riyals.
9. Projects that do not meet the physical presence and substantial activity requirements stipulated in this Law or the Regulations shall be subject to a financial penalty of (15%) fifteen percent of their net income.

In applying the provisions of clauses (1) and (2) of this Article, the period of delay starts from the day following the last deadline for submitting the return and ends on the date of submitting the return or paying the tax, as the case may be.

The concerned party shall be notified of the imposed financial penalties according to what is specified in the Regulations.

Article 25

The President, or his delegate, within a limit of 500,000 riyals (five hundred thousand riyals), and the Minister for amounts exceeding this, may exempt the taxpayer, wholly or partially, from the financial penalties stipulated in the previous Article, if the taxpayer provides justifications accepted by the Authority.

The exemption granted under this Article is cancelled if the taxpayer files a complaint according to the provisions of Article 19 of this Law.

Chapter II: Sanctions

Article 26

Without prejudice to any harsher penalty stipulated by another Law, a taxpayer or responsible person shall be punished by imprisonment for a period not exceeding one year and a fine not exceeding three times the due tax, or either of these penalties, if he:

1. Submits forged or fictitious books, records, or documents.
2. Uses fraudulent methods, including submitting false, fictitious, or incorrect data or documents, intending to obtain a tax deduction, exemption, or refund of previously paid tax.
3. Deliberately fails to register for tax purposes or hides actual income or any taxable activity.
4. Takes any action to prevent Authority employees from performing their duties.

Article 27

Any person who deliberately participates in violating any of the obligations stipulated in this Law shall be jointly responsible with the taxpayer or the responsible person for paying any amounts due as a result of the violation.

Both the transferor and the transferee, partners in partnerships, the representative of the non-resident person, and his agent shall be jointly responsible for paying the taxes and financial penalties due to the Authority, according to the Regulations defined by the Authority.

Article 28

Without prejudice to any harsher penalty stipulated by another Law, a person who violates the provisions of Article 16 of this Law shall be punished by imprisonment for a period not exceeding six months and a fine not exceeding 50,000 riyals (fifty thousand riyals), or either of these penalties.

Article 29

The penalties stipulated in this Law shall be doubled in the case of recidivism. A person is considered a recidivist if he commits a similar offense within five years from the date of the complete execution of the imposed penalty or its expiration.

Article 30

Criminal proceedings for the crimes stipulated in Articles 26 and 27 of this Law may not be initiated except upon a written request from the President.

Article 31

The President, or his delegate, may settle the crimes stipulated in Articles 26 and 27 of this Law before initiating criminal proceedings or during their consideration and before a final judgment is issued, in exchange for paying half of the maximum prescribed fine and the due tax and financial penalties.

The settlement results in the non-initiation or termination of criminal proceedings, as the case may be.

The Public Prosecution shall order the suspension of the sentence if the settlement is reached during its execution.

Article 32

Employees of the Authority, who are granted the status of judicial officers by a decision of the Attorney General in agreement with the Minister, shall have the authority to detect and document violations of the provisions of this Law and its implementing Regulations.

These employees have the right to enter the premises where the taxpayer conducts his activities and its annexes to perform any tasks required to apply the provisions of this Law, as stipulated by the Regulations.

SECTION NINE: GENERAL PROVISIONS

Article 33 (Amended by Law 2022/11)

In case the taxpayer enters into agreements, transactions, or operations primarily aimed at avoiding the due tax, the Authority may withdraw the tax advantage obtained due to these agreements, transactions, or operations, according to the provisions of the Regulations.

The Authority may, in any of the cases stipulated in the previous Clause, take any or all of the following measures:

1. Reclassify the transaction if its form does not reflect its true substance.
2. Adjust the amount of tax due from the taxpayer or any other person related to the agreements, transactions, or operations stipulated in the first Clause of this Article.

If a Qatari enterprise directly or indirectly participates in the management, control, or capital of a foreign enterprise, or a foreign enterprise directly or indirectly participates in the management, control, or capital of a Qatari enterprise, or the same persons directly or indirectly participate in the management, control, or capital of both a Qatari and a foreign enterprise, and conditions are imposed or established between the two enterprises in their commercial or financial relations that differ from those that would be established between two independent enterprises, any profits that would have accrued to any of the enterprises but for those conditions may be included in the profits of the Qatari enterprise and subjected to tax accordingly.

The entity is not entitled to any exemption or tax advantage unless its actual place of management is in the state.

Article 34 (Amended by Law 2022/11)

The application of this Law does not affect any obligations imposed under international agreements or arrangements to which the state is a party, in the field of information exchange for tax purposes or combating international tax evasion.

The Regulations specify the necessary provisions to address the requirements arising from the digitization of the economy and set a minimum tax on entities located in the state based on their excess profits determined in a manner equivalent to global base erosion and profit-shifting rules, at no less than 15%. The Regulations define the scope, conditions, and procedures for their application.

The Minister issues the necessary decisions to enforce these obligations, and his decisions in this regard are binding on all entities and bodies in the state, including those that apply special tax systems under the laws governing them.

Article 35

The Cabinet, upon the Minister's proposal, may amend the tax exemptions stipulated in this Law.

Article 36

The Minister, based on the President's proposal, issues a decision on the controls, provisions, and procedures for granting or canceling tax exemptions.

The exemption decision is issued by the Minister if the exemption period does not exceed five years and by the Cabinet if it exceeds that.

The Cabinet, upon the Minister's proposal, may set a preferential tax rate for certain sectors or projects due to their nature or the nature of the region in which they are established

Article 37

The right of the Authority to assess tax and related financial penalties for a particular tax year expires five years after the year in which the taxpayer filed the return.

If the taxpayer fails to file the return, the Authority's right to assess the tax expires ten years after the tax year for which the return was not filed.

If the taxpayer fails to register with the Authority as required under Article 10 of this Law, the period specified in the previous Clause starts from the date the Authority discovers the taxpayer's activities.

In addition to the legal reasons for interrupting the statute of limitations, the periods mentioned in the previous Clauses are interrupted by notifying the taxpayer via registered letter of any of the following:

- a. The tax assessment decision according to the provisions of Articles 14 and 15 of this Law.
- b. Payment of the due tax or financial penalties.
- c. Referral of the dispute to the Tax Grievance Committee.

Article 38

The right of the Authority to collect taxes and financial penalties expires ten years following the year in which the tax and financial penalties became due.

Article 39

The taxpayer's right to request a refund of wrongly collected taxes and financial penalties expires five years from the date it is established that the Authority was not entitled to collect the tax and related financial penalties, and the taxpayer becomes aware of this.

In addition to the legal reasons for interrupting the statute of limitations, the period mentioned in the previous Clause is interrupted by a request that the taxpayer notifies the Authority via registered letter, demanding a refund of wrongly collected taxes and financial penalties.

CABINET DECISION NO. (39) OF 2019 ISSUING THE EXECUTIVE REGULATIONS OF THE INCOME TAX LAW PROMULGATED UNDER LAW NO. (24) OF 2018 AND ITS AMENDMENTS

Number of Articles: 74

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The Cabinet,

After reviewing:

The Constitution

Income Tax Law issued by Law No. (24) of 2018

Amiri Decision No. (29) of 1996 regarding the decisions of the Cabinet submitted to the Emir for ratification and issuance

Amiri Decision No. (77) of 2018 establishing the General Tax Authority

The Executive Regulations of the Income Tax Law issued by Law No. (21) of 2009, promulgated by Minister of Economy and Finance Decision No. (10) of 2011,

The proposal of the Minister of Finance,

Has decided the following:

PROMULGATION ARTICLES

Article 1 - Promulgation

The provisions of the Executive Regulations of the Income Tax Law issued by Law No. (24) of 2018, attached to this decision, shall apply.

Article 2 - Promulgation

The Decision of the Minister of Economy and Finance No. (10) of 2011 mentioned above is hereby repealed, as is any provision contrary to the provisions of this decision and the attached Regulations.

Article 3 - Promulgation

All concerned authorities, each within its jurisdiction, shall implement this decision, which shall come into force on the day following its publication in the Official Gazette.

Abdullah bin Nasser bin Khalifa Al-Thani

Prime Minister

We hereby ratify this decision
and approve its issuance

Tamim bin Hamad Al-Thani

Emir of the State of Qatar

Issued in the Emiri Diwan on 14/4/1441 H

Corresponding to: 11/12/2019 AD

SECTION ONE: SCOPE OF TAX

Chapter I: Tax Liability

Article 1 (Amended by Cabinet Decision No. 3 of 2023)

1. For the purposes of applying Article 1 of the Law, the term “permanent establishment” particularly includes the following:
 - a. Office
 - b. Factory
 - c. Workshop
 - d. Sales outlet
 - e. Warehouse, concerning a person providing storage facilities for others,
 - f. Mine, oil or gas well, quarry, or any other place for the exploration, extraction, and exploitation of natural resources
2. The term “permanent establishment” also includes:
 - a. A building site, construction, assembly, or installation project, or related supervisory activities, provided that this site, project, or activities last for more than six months.
 - b. The provision of services, including consultancy services, by an enterprise through employees or other personnel engaged for this purpose, provided that such activities continue within the state for a period or periods totaling more than 183 days within twelve months starting or ending in the concerned fiscal year.
3. The term “permanent establishment” does not include:
 - a. The use of facilities solely for the purpose of storage or display of goods or merchandise owned by the enterprise.
 - b. The maintenance of a stock of goods or merchandise owned by the enterprise solely for storage, display, or processing by another enterprise.
 - c. The maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or collecting information for the enterprise, or for carrying out any other activity of the enterprise.
 - d. The maintenance of a fixed place of business solely for any combination of activities mentioned in the preceding subClauses of this clause, provided that the overall activity of the fixed place of business is of a preparatory or auxiliary nature.

4. The provisions of clause (3) of this Article shall not apply to a fixed place of business used or maintained by an enterprise if the enterprise itself or a closely related enterprise conducts business at the same place or at another location in the state.

Neither that place nor the other location shall be considered a permanent establishment of the enterprise or the closely related enterprise in accordance with this Article.

Additionally, the overall activity resulting from the combination of activities conducted by the two enterprises at the same place, or conducted by the same enterprise or the closely related enterprise at both places, shall not have a preparatory or auxiliary nature.

It is stipulated that the commercial activities conducted by the two enterprises at the same place, or conducted by the same enterprise or closely related enterprises at both places, must constitute complementary functions as part of a coherent business operation.

5. Notwithstanding the provisions of clause (2) and subject to the provisions of clause (6) of this Article, if a person is acting in the state on behalf of an enterprise, that enterprise shall be considered to have a permanent establishment in the state regarding any activities that person undertakes for the enterprise if that person:
 - a. Habitually concludes contracts, or habitually plays the principal role leading to the conclusion of contracts that are routinely concluded without material modification by the enterprise, whether these contracts are:
 - In the name of the enterprise
 - For the transfer of ownership of, or for granting the right to use, property owned by the enterprise or that the enterprise has the right to use
 - For the provision of services by the enterprise, unless the activities of that person are limited to those mentioned in clause (3), which, if carried out through a fixed place of business, would not make this place a permanent establishment under the provisions of that clause.
 - b. Habitually maintains in the state a stock of goods or merchandise from which the person regularly delivers goods or merchandise on behalf of the enterprise.
6. Notwithstanding the preceding provisions and subject to the provisions of clause (7) of this Article, an insurance enterprise, other than a reinsurance enterprise, shall be considered to have a permanent establishment in the state if it collects premiums in the state or insures risks located therein through a person.
7. Clauses (5) and (6) of this Article do not apply if the person acting in the state on behalf of an enterprise is an independent agent and acts for the enterprise in the ordinary course of that agent's business.

However, if a person acts exclusively or almost exclusively on behalf of one or more enterprises to which it is closely related, that person shall not be considered an independent agent for those enterprises under the provisions of this clause.

8. If a resident company in the state controls or is controlled by a company residing in a foreign country or conducts business in that foreign country (whether through a permanent establishment or otherwise), this alone does not make either company a permanent establishment of the other.
9. For the purposes of this Article, a person or enterprise is closely related to an enterprise if one has control over the other, or both are under the control of the same persons or enterprises. In all cases, a person or enterprise is considered closely related to an enterprise if:
 - a. One directly or indirectly owns more than 50% of the beneficial interest in the other (or in the case of a company, more than 50% of the total voting power and value of the company's shares or the beneficial interest in the company),
 - b. Another person or enterprise directly or indirectly owns more than 50% of the beneficial interest (or in the case of a company, more than 50% of the total voting power and value of the company's shares or the beneficial interest in the company) in the person or enterprise or in both enterprises.

Chapter II: Tax Exemptions

Article 2 (Amended by Cabinet Decision No. 3 of 2023)

1. The term "interest and banking returns" specified in Article 4, Clause 2 of the Law includes income earned by an individual from savings accounts, deposit accounts, and other investment tools at banks, including Islamic banks.
2. The term "interest and returns on public debt instruments, Islamic securities, and bonds issued by public entities and institutions" specified in Article 4, Clause 3 of the Law includes profits from the disposal of these securities and bonds.
3. In applying the provisions of Article 4, Clause 4 of the Law, "real estate and securities belonging to the assets of a taxable activity" refers to those assets related to the taxable activity conducted by the taxpayer. This includes securities, shares, and bonds of Qatari joint-stock companies, any other licensed tradable securities, other investment instruments, and equivalents according to applicable legislation.
4. For the purposes of Article 4, Clause 5 of the Law, if any of the conditions specified in that Clause are violated, the capital gains arising from the revaluation of company assets are subject to tax starting from the year of exemption utilization.
5. For the purposes of applying the provisions of Article 4, Clauses 6 and 7 of the Law, the following conditions must be met:
 - a. The project must pay tax abroad on capital gains or directors' fees and similar payments.
 - b. The project must meet, as applicable, the substantial activity requirements specified in the Law, the implementing decisions, and these Regulations.
6. The exemption specified in Article 4, Clause 8 of the Law includes the surplus distributed by the liquidator to partners after settling the company's debts and returning the cash value of their capital shares, considering the provisions of subclauses (A) and (B) of the referred clause.
7. The term "machines" specified in Article 4, Clause 9 of the Law refers to tools and equipment used to obtain the final product. It does not include small and handheld tools used to facilitate or complete a craftsman's work. The average number of workers during the tax year is calculated by multiplying the number of workers by the number of days the number was available and dividing the result by 360 days. Storage-only establishments are not considered when calculating the number of establishments through which the activity is conducted.
8. The exemption specified in Article 4, Clause 10 of the Law applies to gross income from agricultural and marine fishing activities and does not apply to any industrial or commercial activity complementary to or related to these activities.
9. For the purposes of applying Article 4, Clause 11 of the Law, income earned by a resident air or sea navigation company in another state from operating aircraft or ships in international transport is exempted from income tax to the extent that a Qatari navigation company is exempted in that state from tax on income from operating aircraft or ships, based on a certificate issued by the tax authorities of that state or a mutual exemption agreement.
10. The exemption specified in Article 4, Clause 13 of the Law is granted on the condition that:
 - a. The legal person is resident in the state.
 - b. The legal person maintains accounting records in accordance with the accounting standards applied in the state.

- c. The Qataris are residents of the state.
 - d. The Qataris are the beneficial owners of the legal person.
 - e. The Qataris own the entire capital throughout the accounting period in which the exempt income is earned.
11. The exemption specified in Article 4, Clauses 4 and 14 of the Law is granted on the condition that the persons are residents in the state.
 12. The exemption specified in Article 4, Clause 14 of the Law is granted on the following conditions:
 - a. The qualifying legal person and the legal persons mentioned in Clauses (B) and (C) of Article 4, Clause 14 of the Law must maintain accounting records in accordance with the accounting standards applied in the state.
 - b. The persons owning the exempt profit shares must be residents of the state and must have owned them throughout the accounting period in which the exempt income is earned.
 - c. The natural Qatari persons must be direct owners and beneficiaries of the legal person mentioned in Clauses (B) and (C) of Article 4, Clause 14 of the Law.
 13. For the purposes of Article 4, Clause 16 of the Law, the exemption concerning the non-Qatari investor's share does not apply to their share of profits from companies owned by the company whose shares are publicly traded in the state's financial market.
 14. Nationals of the Gulf Cooperation Council (GCC) states are subject to the same exemptions and conditions applicable to Qatari nationals under Article 4 of the Law and Law No. 9 of 1989 regarding the equality of GCC citizens in tax treatment.
- b. In case of liquidation of the activity, the accounting period extends from the end of the previous accounting period to the end of the liquidation process, provided that the accounting period does not exceed twelve (12) months. If it exceeds this period, a new accounting period begins.
 - c. In case of cessation, transfer, or sale of the activity, the accounting period starts from the end of the previous accounting period to the date of cessation, transfer, or sale, provided the Authority is notified within the legal timeframe. This includes cases such as company merger, acquisition, or division according to the provisions of the commercial companies' Law. The period between the end of the accounting period before the transfer or sale and the start of the new accounting period is treated as an independent accounting period, provided it is not less than six (6) months. If it is less, it is included in the first accounting period after the transfer or sale.
 - d. If the taxpayer engages in a temporary activity not exceeding eighteen (18) months, the accounting period is the period of the activity.
 - e. In all cases, the tax is calculated based on the income earned during the accounting period.
2. The taxpayer may request to adopt a different accounting period in the following cases:
 - a. If they are a member of a group of companies, or a branch of a foreign company using a different accounting period from the tax year, the taxpayer may request to adopt the accounting period used by the group, parent company, or headquarters.
 - b. If the nature of their activity requires using an accounting period different from the tax year.
 3. In case of changing the accounting period, the period between the end of the previous accounting period and the start of the new accounting period is treated as an independent accounting period, provided it is not less than six (6) months. If it is less, it is included in the first accounting period after the change.
 4. Taxpayers who wish to adopt a different accounting period must submit a request to the Authority when applying for registration or within a maximum of thirty (30) days before the end of the previous accounting period for which the taxpayer is about to submit the declaration and financial statements. The Authority's failure to respond to the request within sixty (60) days from the date of submission is considered an implicit rejection.

Chapter III: Accounting Period

Article 3

1. The accounting period for a taxpayer engaging in an activity is the tax year, and it shall be twelve (12) months, subject to the following provisions:
 - a. If the taxpayer begins their activity after the start of the tax year, the first accounting period is calculated from the start date of the activity and must end at the end of the tax year in which the activity began, provided that the accounting period is not less than six (6) months. If it is less, it ends at the end of the following tax year.

5. The Authority may withdraw approval for adopting a different accounting period if there is a valid reason. The withdrawal takes effect from the end of the accounting period during which the withdrawal decision is made. The first accounting period after the withdrawal is treated in the same manner as the first accounting period after a change, according to Clause 3 of this Article.
- Article 4**
1. The taxpayer must determine their income based on the accrual accounting principle used in commercial accounting, in accordance with the accounting standards applied in the state, considering the provisions of the Law and these Regulations. Income is recorded on an accrual basis when the taxpayer is entitled to receive it, even if it is paid later or in installments, and expenses are recorded when the related obligation arises, regardless of the payment date.
 2. A taxpayer whose gross income does not exceed one million (1,000,000) riyals during the previous accounting period may apply to the Authority to determine their taxable income on a cash basis. In this case, income is calculated upon receipt or when it is ready for receipt, and expenses are calculated upon payment. The Authority must respond to the request within sixty (60) days. Failure to respond within this period is considered an implicit rejection. If the gross income exceeds this amount, the taxpayer must adopt accrual accounting.
 3. Annual gross income from long-term contracts is determined using the completed work method according to the accrual principle. Long-term contracts are those executed by the taxpayer for others based on a specified value and exceed eighteen (18) months.
 4. Subject to the exemptions specified in the Law, capital gains from the disposal of shares or stakes in resident companies in the state as part of a company merger or total division process are included in the taxable income of the merged company or the company subject to division for the tax year in which the merger or division took place, as applicable.
2. The capital gains arising from the disposal of tangible and intangible assets are calculated as follows:
 - a. For non-depreciable assets, the gain is calculated as the difference between the received consideration or market price, whichever is higher, and the cost of the asset.
 - b. For depreciable assets, the gain is calculated as the difference between the received consideration or market price, whichever is higher, and the net book value.
 - c. For the disposal of ownership shares in legal persons, the gain is calculated as the difference between the sale price or fair value, whichever is higher, and the seller's share in the capital, provided all supporting documents are submitted, considering all surrounding circumstances of the transaction.
 - d. For the disposal of real estate owned by non-residents who do not engage in activities within the state, the gain is calculated as the difference between the sale price or market price, whichever is higher, and the acquisition cost of the property.
 3. To determine the taxable income, expenses and costs meeting the following conditions are deducted from the gross income:
 - a. They must be necessary for the purpose of the activity, in a way that gross income cannot be achieved without them, excluding costs incurred for personal purposes or another taxpayer's activity.
 - b. They must have been actually incurred and supported by documents, including especially contracts, invoices, receipts, etc. In the case of depreciation and deductible provisions, this condition is considered met if the depreciation or provision is recorded in the accounting, with supporting documents provided.
 - c. They should not increase the value of the fixed assets used in the activity, and fixed assets are determined according to the accounting standards in force in the state.
 - d. They must relate to the concerned tax year and be recorded in the accounting.

SECTION TWO: TAX CALCULATION

Chapter I: Taxable Income

Article 5

1. To determine the gross income, all revenues arising from transactions carried out by the taxpayer, including the disposal of assets and incidental operations, are considered unless exempt. Compensation due for the damage of an asset is treated as revenue arising from the disposal of that asset. Revaluation gains of assets are not considered unless they are actually realized.

4. The taxpayer may deduct losses incurred during the tax year from the net income of subsequent years in accordance with the provisions of Article (7) of the Law, subject to the following:
 - a. Losses are not carried forward for more than five (5) years starting after the end of the tax year in which they were incurred.
 - b. Losses arising from exempt or non-taxable income sources are not deductible.

Article 6

A taxpayer may deduct expenses and costs incurred to generate exempt income as stipulated in Article (8/Clause 1) of the Law. If part of the income is exempt and another part is taxable, expenses and costs are deducted within the limits of the taxable income. This limit is calculated, in the absence of precise and regular data, by dividing the taxable revenue by the total revenue generated by the taxpayer.

Article 7 (Amended by Cabinet Decision 2023/3)

1. Subject to the provisions of tax agreements, if a foreign enterprise conducts activities in the state through a permanent establishment located therein, the profits of the enterprise are taxable in the state, but only on the part attributable to the following:
 - a. The mentioned permanent establishment.
 - b. Sales in the state of goods or merchandise of the same or similar type as those sold through that permanent establishment.
 - c. Other activities conducted in the state of the same or similar type as the activities conducted through that permanent establishment.
2. Subject to Clause (3) of this Article, if a foreign enterprise conducts activities in the state through a permanent establishment located therein, the profits attributable to that permanent establishment are those expected to be earned if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing independently with the enterprise of which it is a permanent establishment.
3. When determining the profits of the permanent establishment, expenses incurred for the purposes of the permanent establishment's activities, including executive and general administrative expenses incurred, whether in the state or elsewhere, are deductible. However, amounts paid by the permanent establishment (other than the actual reimbursement of expenses) to the headquarters or any of its other offices as royalties, fees, or similar payments for the use of patents or other rights, or as commissions for specific services rendered or for management, or as interest on funds loaned to the permanent establishment are not deductible, except in the case of a banking enterprise.

Conversely, when determining the profits of a permanent establishment, amounts charged by the permanent establishment (other than the actual reimbursement of expenses) to the headquarters or any of its other offices as royalties, fees, or similar payments for the use of patents or other rights, or as commissions for specific services rendered or for management, or as interest on funds loaned to the headquarters or any of its other offices are not taken into account, except in the case of a banking enterprise.

4. For the purposes of this Article, the profits attributable to the permanent establishment are determined in the same manner year after year unless there is a justified and acceptable reason for a deviation.

Article 8

1. Subject to the deduction conditions stipulated in Article (5/3) of these Regulations, the total expenses spent on entertainment, hospitality, restaurant meals, holidays, club memberships, and client gifts, as stipulated in Article (8/5) of the Law, are deductible up to 2% of the net income before making this deduction for the same accounting period or 500,000 riyals, whichever is higher. In all cases, expenses incurred outside the state for these purposes are deductible up to a limit of 500,000 riyals.
2. The total of donations, grants, subsidies, and subscriptions to charitable activities or paid within the state to any licensed non-profit entity in the state is deductible, provided it does not exceed 3% of the net income before making this deduction. Zakat amounts paid by the taxpayer are treated as donations and are deductible within the same limits and conditions.

Article 9

Salaries, wages, bonuses, and similar compensations, including benefits in kind, paid to board members are not deductible, except for their salaries as employees of the same company.

Article 10 (Amended by Cabinet Decision 2023/3)

1. Interest on loans and similar payments paid by the taxpayer to related parties, as defined by international accounting standards, are deductible up to the interest calculated on loans not exceeding three times the equity recorded in the accounting during the relevant accounting period, provided that the loan contributes to economic benefits for the taxpayer. This must be based on an agreement specifying the loan term and its purpose.
2. Interest paid to the owner of a sole proprietorship for amounts deposited into their establishment is not deductible.

Article 11

The following expenses and costs are not deductible:

1. Income tax paid by the taxpayer within the state and taxes borne by the taxpayer outside the state.
2. Income tax borne by the taxpayer on behalf of a non-resident.
3. Indirect taxes that are deductible or refundable according to the provisions of the governing Law.

Article 12

Bad debts are deductible if they meet the following conditions:

1. The bad debt must have been previously included in the taxpayer's taxable income in the year the debt was accrued.
2. At least 24 months have passed since the debt was due.
3. The taxpayer must have made adequate provisions to cover the bad debt.
4. The taxpayer must demonstrate that the debt collection was not possible despite taking legal measures to collect it.
5. The taxpayer must submit a certificate from the auditor stating that the debt has been written off the books according to accepted practices.
6. A list of bad debts must be attached, using the form approved by the authority, when submitting the tax return for the relevant year.
7. The taxpayer must include the debt in their income in the year it is collected if the debt is recovered after being considered bad.

Article 13

Only the following provisions are deductible:

1. Provisions for doubtful debts for banks and financing companies, according to the following conditions:
 - a. These provisions must be made according to the limits and instructions issued by the Qatar Central Bank.
 - b. If the purpose of the provision for doubtful debts ceases in any year, the portion of the provision deducted under Clause (A) of clause (1) of this Article must be returned to the taxable income.

2. Provisions for current risks and unsettled compensation made by insurance and reinsurance companies, provided that these provisions are made according to the limits and instructions issued by the Qatar Central Bank. In the absence of these instructions, the provisions are deductible, provided that the provision for current risks does not exceed 10% of the net income before deducting these provisions, hospitality expenses, and other expenses stipulated in Article (8/1) of these Regulations, as well as donations and other amounts stipulated in Article (8/2) of these Regulations.

The provision for current risks refers to the amount allocated by insurance and reinsurance companies at the end of the accounting period to meet their obligations towards risks that may occur for insurance policies issued before the end of that accounting period and are valid during the following accounting period.

The provision for unsettled compensation refers to the amount allocated by insurance and reinsurance companies at the end of the accounting period to meet their obligations towards accidents that occurred and were reported before the end of that period but are still under settlement or have not yet been paid.

Article 14

Depreciation is not deductible for the following assets:

1. Land
2. Goodwill and similar intangibles.

Article 15

Subject to the conditions stipulated in Article (5/3) of these Regulations, depreciation of fixed assets is deductible if the following conditions are met:

1. The depreciated asset must be a fixed asset according to the definition provided by the accounting standards in force in the state.
2. The asset must be used entirely for purposes of a taxable activity. If it is partially used for a taxable activity, depreciation is deductible only to the extent of that use.
3. The asset must be depreciable, meaning its value decreases due to use, time, or technological advancement.
4. The asset must be owned by the taxpayer, as evidenced by ownership documents such as title deeds, contracts, etc.

Depreciation is calculated from the date of actual use or exploitation based on the total cost actually incurred to acquire the asset and prepare it for use.

Article 16

1. Depreciation is deductible based on the rules set by the accounting standards in force in the state, provided the deductible depreciation for assets owned by the taxpayer, including buildings constructed on others' property, does not exceed the following maximum rates:

Assets	Maximum Rates
Intangible Assets:	
Pre-operating expenses	50%
Capitalized research and development expenses	20%
Trademarks, patents, and similar	15%
Tangible Assets:	
1. Buildings and constructions (excluding land value):	
Durable buildings and constructions	5%
Light prefabricated buildings	10%
Roads, bridges, railways, and electrified railways	5%
Pipelines, tanks, and wharves	5%
Pipelines and equipment inside the refinery and small tanks	10%
Networks and canals	5%
2. Means of Transport:	
Goods and passenger transport means, including cars, vehicles, tractors, trailers, cranes, and motorcycles	20%
Ships and boats	10%
Aircraft and hovercrafts	20%
Railway transport means and electrified railway transport means	10%
3. Machinery, Equipment, and Fixtures:	
Computers, software, and peripherals	33,33%
Machinery, equipment, and electrical appliances	20%
Industrial machinery, equipment, and fixtures	20%
Public works and construction machinery and equipment	20%
Drilling tools	15%
Air conditioners	25%
Elevators and escalators	15%
Office furniture and equipment	15%
Gas production, transmission, and distribution equipment	5%
Electricity and water production, transmission, and distribution equipment	5%
Other machinery, equipment, and fixtures	15%
5. Hotels, Inns, Resorts, Restaurants, Cafés, and Rest Areas:	
Cooking and laundry machines	20%
Glassware	50%
Other tableware	25%
Furniture, furnishings, and decorations	25%
Pools and their complements	15%

2. Depreciation of major repair expenses incurred by the taxpayer on the assets mentioned in clause (1) of this Article is deductible at the same maximum rates set for the repaired asset.
3. The taxpayer may fully depreciate fixed assets with a value not exceeding 5,000 riyals during the first tax year of use.
4. The net book value of assets destroyed or decommissioned is deductible from the net income of the year in which they are destroyed or decommissioned, provided supporting documents are maintained. The income arising from the disposal of these assets is taxable in the year it is realized.
5. The taxpayer may apply one and a half times the maximum depreciation rates for machinery, equipment, and fixtures used in industrial activities operated in two shifts, or double those rates if operated in three or more shifts.

Article (17)

The Minister may increase the depreciation rates specified in the previous Article if the taxpayer submits a request to the Authority with reasonable justifications that consider the nature of the activities and the characteristics of the assets. If the Minister does not respond to the request within sixty (60) days from the date of submission, it is considered implicitly rejected.

Article (18)

In accordance with the provisions of Articles (14) to (17) of these Regulations, the rules and controls stipulated by international accounting standards apply to the depreciation of assets under finance leases or operating leases.

Article (19)

A person practicing a free profession may choose to deduct thirty percent (30%) of the total income instead of all the allowed expenses and costs, and pay tax on seventy percent (70%) of the total income.

This choice is made through a written or electronic request to the Authority for the relevant year. If the Authority does not respond within sixty (60) days, the request is considered accepted.

This choice remains valid for subsequent years unless the taxpayer cancels it through a request attached to the tax return. A free profession refers to an activity practiced independently, utilizing scientific, technical, or practical knowledge and expertise.

Article (20)

Commissions paid by foreign companies to their local agents are not deductible except up to three percent (3%) of the actual total revenue of the activity.

Chapter II: Withholding Tax

Article (21)

1. Amounts specified in Article (9/2) of the Law, paid by natural persons practicing an activity in the State, legal persons residing in the State, including ministries, other government agencies, public authorities and institutions, and permanent establishments in the State owned by non-residents, are subject to withholding tax.

With the exception of amounts due to ministries, other government agencies, and public authorities, these amounts are considered actually paid after a maximum of twelve (12) months from the date of entitlement.

Administrative and general expenses of the head office specified in Article (7) of these Regulations are not subject to withholding tax.

2. Fees for services specified in Article (9/2) of the Law are subject to a five percent (5%) withholding tax on the total amount, without any cost deductions, if these services are wholly or partly performed in the State.

A service is considered performed wholly or partly in the State if any work necessary for its completion is done within the State, including data collection, site inspection, and service completion, even if performed by another person on behalf of the taxpayer. Service delivery is not considered necessary for its completion.

Services are considered performed in the State if they are used, consumed, or benefited from in the State, even if performed wholly or partly outside the State.

3. The following activities are not considered services subject to withholding tax under Article (9/2) of the Law:
 - a. Reinsurance
 - b. Shipping and ticket sales
 - c. Maritime transport of oil and derivatives, as well as related products

4. The following interest payments are not considered subject to withholding tax:
 - a. Interest on deposits in banks and financial institutions in the State
 - b. Interest on bonds and securities issued by the State, public authorities, and wholly or partially State-owned public companies
 - c. Interest on transactions, facilities, and loans with banks and financial institutions
 - d. Interest paid by a permanent establishment in the State to the head office or an affiliate outside the State

Article (22)

1. In the case of an effective double taxation avoidance agreement, a non-resident person or their representative subjected to withholding tax according to the rates and conditions in Article (21) of these Regulations must submit a request to the Authority to apply the provisions of the agreement using the form prepared by the Authority. If the request is accepted, the Authority refunds the tax according to the refund procedures specified in Article (7) of these Regulations.
2. The Authority issues periodic circulars regarding the application of certain double taxation avoidance agreements. The Minister may issue a decision specifying special mechanisms for applying withholding tax and double taxation avoidance agreements, outlining the conditions, procedures, and guarantees for applying these mechanisms.
3. Withholding tax according to the rates and conditions specified in Article (21) of these Regulations applies to amounts paid to non-resident companies wholly or partially owned by Qatari nationals or nationals of Gulf Cooperation Council (GCC) countries.

Article (23)

No tax is withheld on amounts paid to persons who have been issued a tax card according to Article (26) of these Regulations or persons registered with the Qatar Financial Centre. This applies particularly to amounts paid to a permanent establishment owned by a non-resident in the State.

Article (24)

Tax is withheld and remitted to the Authority using the form prepared by the Authority before the sixteenth day of the month following the month in which the withholding occurred. The person who withholds the tax issues a certificate to the beneficiary from whom the tax was withheld using the form prepared by the Authority.

SECTION THREE: TAX OBLIGATIONS

Chapter I: Registration and Notification

Article (25) (Amended by Cabinet Decision 2023/3)

1. The taxpayer must register with the Authority and apply for a tax card according to Article (10/1) of the Law by submitting a request on the form prepared by the Authority, attaching the documents specified by the Authority, within sixty (60) days from the date of obtaining approval from the competent authority to start the activity, registration in the commercial register, or from the first day of income generation, whichever comes first, or on the same day of registration for any other tax purposes.
2. The Authority registers ministries, other government agencies, public authorities, and institutions, private associations and institutions, private charitable associations and institutions, and private institutions of public benefit subject to withholding tax according to the Law and these Regulations, issuing them a special registration number upon submitting the first statement of amounts withheld at source and paid to the Authority.
3. The Authority may register the taxpayer when registration conditions are met, and the taxpayer fails to submit a registration request within the deadlines specified in clause (1) of this Article, notifying the taxpayer accordingly, without prejudice to the obligation to pay the tax and the imposition of financial penalties due for the period before registration according to the Law and these Regulations.
4. If the taxpayer notifies the Authority of the cessation, transfer, or sale of the activity and settles their tax status for the activity according to the Law and these Regulations, the Authority issues the taxpayer a no-appeal certificate regarding this action.
5. The Authority may allow any other government entity to conduct registration when registering in the commercial register or issuing a commercial license, as applicable, according to the agreed mechanism.
6. The registration and notification provisions in Article (10) of the Law apply to foreign projects practicing the activities specified in clause (3) of Article (1) of these Regulations.

Article (26)

1. The Authority or any other government entity authorized according to clause (5) of the previous Article shall issue a single tax card to each person required to register according to the provisions of the Law and this Regulation. This card shall include the following information:
 - a. The name and address of the taxpayer.
 - b. The tax number.
 - c. The commercial registration or license number.
 - d. The number of branches.
 - e. The start date of activity or income generation.
 - f. The issuance and expiration dates of the tax card.
2. The Authority shall not issue a tax card for income tax purposes to non-resident taxpayers with a permanent establishment in the state.

Article (27)

A resident taxpayer or a taxpayer with a permanent establishment in the state must notify the Authority of any change that may affect their tax obligations within thirty (30) days from the date of the change, by any means that provide proof of knowledge. Any change affecting tax obligations is considered effective only from the actual date of notification to the Authority. Financial penalties may be imposed according to the Law. These changes include:

1. Ownership of the company or establishment.
2. Nature of the activity.
3. Number of branches.
4. Address of the company or establishment.
5. Participation in tax-exempt projects.
6. Registration in a zone or with an entity subject to a special tax regime.

Article (28)

Taxpayers who have disposed of or ceased their activity, in whole or in part, must notify the Authority using the form prepared by the Authority for this purpose within thirty (30) days following the date of disposal or cessation.

The taxpayer is exempt from the notification requirement if they submit a tax return for income and capital gains within the mentioned period.

Partial cessation of activity refers to the termination of one aspect of the taxpayer's activity or the closure of one or more branches through which this activity is conducted.

Total cessation includes the termination of all activities, including mergers and demergers.

If the cessation is due to the taxpayer's death, the heirs must notify the Authority within sixty (60) days from the date of death.

The liquidator must notify the Authority of their appointment and the completion of the liquidation within thirty (30) days from the date of appointment or the completion of the liquidation, as applicable.

Chapter II: Tax Returns

Article (29)

1. The tax return specified in Article (11) of the Law must be submitted by resident taxpayers and non-resident taxpayers conducting activities through a permanent establishment in the state within four (4) months from the end of the tax year using the form prepared by the Authority.
2. The tax return for capital gains must be submitted on the form prepared by the Authority within thirty (30) days from the date of the contract or the disposal of assets, whichever comes first.
3. A taxpayer whose accounting period differs from the tax year must submit their tax return for this accounting period within four (4) months from the end of the accounting period using the form prepared by the Authority.
4. A taxpayer conducting activities through multiple branches in the state must submit a single tax return covering the results of all branches and activities.
5. In the event of business liquidation, the liquidator must submit the tax return within the period specified in clauses (1) and (3) of this Article.
6. If the taxpayer dies during the tax year, the heirs, estate administrator, or liquidator must submit the tax return within six (6) months from the date of death.

7. If the taxpayer is a minor or legally incompetent, the guardian, trustee, or custodian must submit the tax return within four (4) months from the end of the tax year.
8. In case of cessation or transfer of activity, in whole or in part, the obligation to submit the tax return remains until the Authority is notified of the cessation or transfer. The tax return must be submitted within the same legal deadline as the notification.
9. The tax return must be signed by the taxpayer or their tax agent, with a commitment to the accuracy of the information provided.
10. In all cases, the taxpayer must submit all documents, records, and information specified by the Authority for each form prepared by the Authority.

Article (30)

The Authority may extend the deadline for submitting the tax return by no more than four (4) months from the final submission date if the taxpayer submits a request with acceptable reasons at least sixty (60) days before the final submission date. The Authority may consider requests submitted after this period if the delay is due to reasons arising after the specified request period.

The Authority's failure to respond to the request within thirty (30) days from the submission date is considered an implicit rejection.

Article (31)

1. If a taxpayer submits an amended tax return according to Article (71, second Clause) of the Law, the amended return replaces the original tax return. In this case, the period for the Authority to reassess the tax as specified in Article (37, first Clause) of the Law begins from the date of submitting the amended return.
2. A taxpayer may not amend the original tax return to reduce the tax if a tax assessment decision and related financial penalties have been issued. In all cases, the original return cannot be amended to reduce the tax after five (5) years following the year in which the return was submitted.

Article (32)

A taxpayer conducting tax-exempt activities under any applicable laws in the state must submit a tax return accompanied by the financial position statement and profit or loss and comprehensive income statement for the accounting period, with notes, data, and schedules attached or supplementary to them, audited by an auditor registered in the state if any of the conditions specified in Article (33) of this Regulation are met.

Article (33)

A taxpayer must attach audited final accounts by a registered auditor in the state to the tax return if any of the following conditions are met:

- The capital exceeds two hundred thousand (200,000) Riyals.
- The total income exceeds five hundred thousand (500,000) Riyals.
- The main office is outside the state.

Article (34)

1. The final accounts specified in the previous Article refer to financial statements prepared according to applicable accounting standards in the state and signed by the taxpayer or their tax agent, including the following:
 - a. Financial position statement.
 - b. Profit or loss and comprehensive income statement for the period.
 - c. Statement of changes in equity for the period.
 - d. Cash flow statement for the period.
 - e. Notes related to the financial statements, including significant accounting policies and other explanatory information.
2. The final accounts must be accompanied by:
 - a. Auditor's report.
 - b. Asset depreciation schedule.
 - c. Provisions schedule formed and deducted during the year for banks and insurance companies.
 - d. Schedule of tax amounts withheld at source during the tax year according to the Law and this Regulation.
 - e. Schedule of subcontractors.
 - f. Schedule showing how taxable income was determined based on the profit or loss stated in the income statement.
 - g. Schedule of transactions with related parties.
 - h. Schedule of fixed assets acquired, increased in value, or disposed of during the tax year.

3. The auditor's report must adhere to professional standards, especially confirming the following:
 - a. The auditor was able to conduct the necessary audit according to recognized standards to assess the taxpayer's accounts. If the audit could not be conducted, this must be mentioned in the report, along with any reason for the auditor's reservation about any part of the taxpayer's accounts.
 - b. The taxpayer's accounts were prepared according to applicable accounting standards in the state, and the system used adheres to recognized accuracy and security standards if accounting records are kept using computer systems.
 - c. The taxpayer complied with disclosure requirements specified by applicable standards, laws, and Regulations in the state.
4. The person auditing the final accounts and preparing the auditor's report cannot be the same person who participated in preparing these accounts.
 - d. Holding companies resident for tax purposes in the state, provided that the partners, shareholders, or the ultimate parent entity are residents for tax purposes in the state.
 - e. Projects that have at least five full-time employees exclusively conducting the income-generating activities relevant to the project.

3. For the purposes of clause (1) of this Article, "relevant income" refers to income falling under any of the following categories:
 - a. Income from immovable property.
 - b. Dividend profits.
 - c. Interest.
 - d. Royalties.
4. Projects meeting the criteria set out in clause (1) of this Article must disclose to the Authority, in the annual income tax declaration for each fiscal year, whether they meet the following minimum substantive activity indicators:
 - a. Having a dedicated office in the state that is owned or exclusively leased by them.
 - b. Having at least one active bank account in the state.
 - c. One of the following indicators must also be met:
 - (1) At least one director of the project who is a tax resident in the state, authorized to make decisions concerning the activities generating relevant income for the project or concerning the project's assets, actively and independently uses the specified license on a regular basis, and is not an employee or director of any other non-associated project.
 - (2) A majority of the project's full-time employees are tax residents in Qatar.

Article (34 Bis) (Added by: Cabinet Decision 3/2023)

1. Article (11 Bis) of the Law applies to any project that meets the following criteria:
 - a. A. More than 75% of the project's revenues in the previous two fiscal years come from the relevant incomes specified in clause (3) of this Article.
 - b. B. More than 60% of the book value of the project's assets are located outside the state in the previous two fiscal years, or more than 60% of the project's relevant incomes are realized or paid through transactions with foreign entities.
 - c. C. The project has relied on outsourcing for the management of daily operations and decision-making regarding key functions in the previous two fiscal years.
2. Exceptions from clause (1) of this Article, the provisions of Article (11 Bis) of the Law do not apply to the following projects:
 - a. Companies or entities that have transferrable securities accepted for trading or listed on a regulated financial market.
 - b. Licensed financial institutions.
 - c. Projects whose main activity is owning shares in commercial operations in the state, provided that the beneficial owners are residents for tax purposes in the state.

Chapter III: Accounting Obligations

Article (35)

A taxpayer operating in the state must maintain accounting books, records, and related documents and supporting documents necessary for their activity according to the laws and accounting standards in force in the state, specifically including:

1. General journal.
2. General ledger.
3. Inventory book.

Article (36)

1. A taxpayer operating in the state must retain the books, records, and documents referred to in the previous Article at the place of business activity for ten (10) years following the year to which these books, records, and documents pertain, unless they are involved in a dispute, in which case they must be retained as long as the dispute exists.
2. The Authority may, upon request, exempt the taxpayer from the retention obligation specified in sub-clause (a) of this Article if the following conditions are met:
 - a. There are acceptable reasons preventing the taxpayer from retaining the books, records, and documents, or making their retention unusually difficult. The taxpayer must explain these reasons in the submitted request.
 - b. The tax for the year to which the books, records, and documents pertain has been definitively assessed and is not disputed before any authority.
 - c. The taxpayer has submitted the tax declaration for the year related to the books, records, and documents.
 - d. No losses were recorded during the year related to these books, records, and documents and the five preceding years.
 - e. The Authority's right to assess tax for the year related to these documents has expired according to the statute of limitations as per Article (37) of the Law.

3. The taxpayer may maintain and store accounting books and records using a computer system if the following conditions are met:
 - a. The system used provides a sufficient level of security to prevent manipulation of entered data or outputs.
 - b. All original documents supporting the entries made in the system must be retained.
 - c. All documents related to the design, features, and usage of the system must be retained.
 - d. The auditor must confirm in their report that the system meets recognized security and accuracy standards, especially regarding the inability to alter entries after confirmation and the inability to manipulate the dates of extracted statements.
 - e. Extracts of the entries and accounts must be generated from the system every three (3) months.
 - f. The system design must allow the Authority to access all documents and records at any time within the state.
4. The taxpayer may contract out the maintenance and storage of accounting records and books provided they are maintained and stored in accordance with the provisions of this Regulation, and the taxpayer remains responsible for them and their contents before the Authority.

SECTION FOUR: AUTHORITY'S POWERS AND DUTIES

Chapter I: Requesting and Exchanging Information and Records

Article (37) (Amended by Cabinet Decision 2023/3)

1. Government entities, public institutions, companies, associations, private institutions, charitable private institutions, public benefit private institutions, and sole proprietorships, as per the provisions of Article (13) of the Law, are required to notify the Authority about the following contracts:
 - a. Contracts made with non-residents who do not have a permanent establishment in the state, regardless of their value.
 - b. Contracts made with residents, or non-residents who have a permanent establishment in the state, if the contract value is at least (200,000) two hundred thousand Riyals for service contracts, and (500,000) five hundred thousand Riyals for construction and supply services.

2. The notification mentioned in clause (1) of this Article should be done using a form prepared by the Authority, which includes data on the contracting parties, the nature of the contracted work, the duration of the contract, its value, and the country of residence of the contracting party. The Authority, in all cases, may request a copy of the contract if deemed necessary.

3. The Authority has the right to obtain information and documents for the purpose of conducting a tax audit or exchanging them with competent authorities in other countries, according to tax treaties and agreements related to administrative assistance and exchange of information for tax purposes.

The Authority can obtain information and documents from any person in the state who possesses or controls them, even if there is a legal obligation on this person to maintain the confidentiality of the information. Information is considered to be under the control of a person if they have the legal right, authority, or capability to obtain the information or documents in possession of another person.

It is not required for the Authority to meet any of the following conditions to obtain the information and documents to be exchanged with the competent authorities in other countries:

- a. The Authority does not need to need the information for its own tax purposes.
 - b. It is not necessary that a tax audit be conducted on the taxpayer who possesses or controls the information, or who is concerned with that information.
 - c. The acts for which information is sought do not have to be criminal in the state, and the competent authority has the right to obtain the information for the purpose of exchanging it with competent authorities in other countries for all tax matters, including criminal tax matters.
4. Companies and other corporate entities that have their principal office or actual management in the state must, if requested, provide the Authority with information that identifies their legal owners and beneficial owners, including information about persons for whom the legal owners act as agents or under any similar arrangement, and information about persons in any intermediate entities between the company or other corporate entity concerned and the beneficial owner.

Companies established according to state laws or that operate within it must provide the Authority, upon request, with information that identifies their partners and beneficial owners.

Trusts established according to state laws or managed in the state or whose trustee or agent resides in the state must provide the competent authority, upon request, with information about the beneficial owners including the identity of the settlor or founder, trustee or agent, protector or enforcer (if any), all beneficiaries or classes of beneficiaries, and any other natural person exercising effective control over the trust.

Non-profit organizations must provide the competent authority with information identifying the founders, board members, beneficiaries (if any), any beneficial owners, or persons who have the authority to represent it.

The information provided by legal entities and arrangements about the identity of their legal owners and beneficial owners must be sufficient, accurate, and up-to-date.

Legal entities and arrangements are required to maintain reliable accounting records in accordance with the accounting standards approved in the state, and to provide the relevant accounting information to the competent authority upon request.

The accounting records must accurately reflect all transactions, determine the financial position of the entity or legal arrangement with sufficient precision at any time, and allow for the preparation of financial statements.

The accounting records must include essential documents such as invoices and contracts, and must detail all amounts received or paid, the purposes related to them, all sales and purchases, other transactions, and the assets and liabilities of the entity or legal arrangement.

Financial institutions must provide the competent authority, upon request, with information about the financial accounts they hold for all account holders.

Financial information includes all records related to financial accounts, as well as related transactions, including information about the legal owners of the accounts and their beneficiaries

Notifications specified in this Article must be made within (30) thirty days from the date of the Authority's request or from the date of concluding the contract or agreement, as applicable. The Authority may extend this period for another similar period if necessary.

The Authority may enter into agreements with ministries, government agencies, and public institutions to provide it automatically or periodically with records, information, and data it deems necessary.

Chapter II: Inspection and Supervision

Article (38)

1. The Authority's officers, who are designated as judicial police officers according to the provisions of Article (32) of the Law, have the right, without prior notice, to enter the premises where the taxpayer conducts their business and its annexes during business hours to:
 - a. Conduct a field inspection of the business location during the taxpayer's working hours.
 - b. Examine records, accounts, and data stipulated in the Law and this Regulation, and take copies of them or seize them if necessary.
 - c. Examine books, records, and data of the taxpayer for the purpose of gathering information about another taxpayer.
2. In accordance with the provisions of clause (1) of this Article, if the Authority has reasonable grounds to believe that there is a violation of the provisions of the Law and this Regulation, the Authority's officers who are designated as judicial police officers have the right to enter the premises where the taxpayer conducts their activity and its annexes outside business hours.
3. The taxpayer subject to supervision and inspection has the right to:
 - a. Request the Authority's officers to display their official ID.
 - b. Be present during the inspection process.
 - c. Receive a copy of the books, records, and documents that have been seized.
- c. Visit the taxpayer's business location during business hours to conduct field inspections and examine the books and records maintained by the taxpayer.
- d. Retain copies of any books, records, or paper or digital documents and seize their originals if the Authority finds it necessary.
- e. Examine books, records, and data of the taxpayer for the purpose of gathering information related to tax due on another taxpayer.
- f. Access and inspect software, systems, and applications used for recording the taxpayer's accounts and preparing their tax returns.
- g. Access and inspect data and information necessary for the operation of these software, systems, and applications, as well as databases used in managing transactions, issuing invoices, revenues, receipts, assets, or inventories.
2. When conducting an inspection, the Authority must notify the taxpayer using a form prepared for this purpose, and such notification must be given at least (15) fifteen days before the start of the tax inspection. The advance notification must include the date of the inspection and the tax period(s) under audit.
3. The inspection/auditing process can be conducted at the premises of the Authority or the taxpayer, as decided by the Authority.
4. The taxpayer under inspection/audit has the right to:
 - a. Request the tax examiner to show their official ID.
 - b. Obtain copies of any original documents or records seized or acquired by the Authority.

Chapter III: Tax Audit Procedures

Article (39)

1. In accordance with the statute of limitations provided in the Law, the Authority has the right to inspect the tax returns of the taxpayer, the accompanying documents, and any other records, books, or data it deems necessary to verify compliance with the provisions of the Law and this Regulation. In doing so, the Authority may:
 - a. Invite the taxpayer or their tax agent to appear to discuss and provide any clarifications and information related to their activity and tax returns within a period specified by the Authority. Notes and clarifications provided will be recorded in a report prepared by the Authority for this purpose.
 - b. Require the taxpayer or their tax agent to submit any information, documents, books, records, or data needed for the inspection within (20) twenty days from the date of notification.
5. The taxpayer undergoing a tax inspection must provide all necessary assistance and cooperation to the tax examiner to enable them to perform their duties effectively.
6. The Authority may use specialists and technical experts from government agencies or the private sector who are not competitors of the taxpayer if necessary.
7. Before issuing a tax assessment decision, the Authority may notify the taxpayer of the results of the tax inspection. The taxpayer must provide their observations on these results within no more than (30) thirty days from the date of notification and may request access to or copies of the documents and data that the Authority relied upon in adjusting and estimating the tax due.

8. The Authority may request foreign tax authorities to conduct simultaneous audits and inspections and may also conduct simultaneous audits and inspections at the request of a foreign tax authority, in accordance with the procedures and guidelines specified by the President.

Chapter IV: Tax Assessment

Article (40)

The Authority assesses taxes as follows:

1. The tax return is considered an assessment of the tax.
2. An amended tax assessment decision is issued on the form prepared for this purpose if the Authority makes modifications to the tax return submitted by the taxpayer.
3. An estimated tax assessment decision is issued on the form prepared for this purpose in all cases where it is not possible to assess the tax based on the taxpayer's actual income, including cases where the taxpayer does not submit a tax return or the supporting data and documents within the specified periods. This includes, in particular, the following:
 - a. Books or records stipulated in the Law and this Regulation, provided they are accurate and regularly maintained according to the laws and accounting standards in force in the state.
 - b. Information, clarifications, and other documents that the Authority requests from the taxpayer for the purpose of the tax inspection.
4. The tax is assessed on an estimated basis based on objective evidence available to the Authority, especially the following:
 - a. Data available in the taxpayer's accounts, even if not considered.
 - b. The nature and characteristics of the taxpayer's activity.
 - c. Data related to similar cases.
 - d. Reports and data issued by independent entities related to the taxpayer's activity.

5. If the taxpayer does not submit their tax return within the periods specified in this Regulation and before issuing an assessment decision, the Authority may issue a warning requiring the taxpayer to submit their return within no more than (30) thirty days from the date of notification.

6. The Authority may amend the tax assessment decision, either reducing or increasing the amounts due, to correct material errors related to tax calculation and notify the taxpayer accordingly.

Article (41)

1. The tax assessment decision, whether amended or estimated, must include the following details:
 - a. The facts, information, and evidence based on which the tax was assessed, including identifying the provisions of the Law and Regulation that were relied upon for the assessment.
 - b. The taxable income, the tax due, and related financial penalties.
 - c. The period during which the tax and penalties must be paid, and the place of payment.
 - d. The taxpayer's right to object to and appeal the assessment decision according to the provisions of the Law and this Regulation.
2. The Authority notifies the taxpayer of the tax assessment decision on the form prepared for this purpose, in accordance with the provisions of Articles (67) and (68) of this Regulation.
3. The Authority may correct typographical or mathematical errors that occur in the decisions and notifications it issues.

SECTION FIVE

Chapter I: Appeals

Article (42)

1. Taxpayers have the right to object to the tax assessment decision by registered mail or any means that proves delivery, within (30) thirty days from the date of notification of the decision. The appeal should be submitted to the Authority, and its submission suspends the execution of the tax assessment decision.
2. The appeal must specifically include the following information:
 - a. Taxpayer's name and tax identification number.
 - b. The contested tax assessment decision.

- c. Details of the assessment being contested and all reasons supporting the appeal, along with any supporting documents.
 - d. D. Acceptable assessment elements, if any.
3. The Authority will review the appeal and may request additional information or documents. The taxpayer must respond to this request within no more than thirty days. This period is not counted within the time frame set for the Authority to respond to the appeal.
 4. The Authority must notify the taxpayer or the responsible person of its decision on the appeal by any means that proves delivery, within (60) sixty days from the date the appeal was filed. Failure of the Authority to respond within this period constitutes an implicit rejection of the appeal.
 5. If the taxpayer acknowledges in writing their acceptance of the Authority's decision on the appeal, or if they do not appeal this decision before the Tax Grievance Committee according to the provisions of Article (43) of this Regulation, the Authority's decision on the appeal or the tax assessment decision, as applicable, becomes final. The tax and any related financial penalties become due and payable.

Chapter II: Complaints

Article (43)

1. Taxpayers may appeal the Authority's decision on an appeal before the Tax Grievance Committee stipulated in Article (19) of the Law, within (30) thirty days from the date of notification of the decision or from the expiration of the period set for deciding on the appeal without a response.
2. In accordance with the provisions of clause (1) of this Article, taxpayers may appeal the Authority's decisions according to the Law and this Regulation within (30) thirty days from the date they are notified of the decision or from the expiration of the periods set for deciding on their requests.

SECTION SIX: TAX COLLECTION AND REFUND

Chapter I: Tax Collection

Article (44)

1. The taxpayer pays the tax due based on the tax return on the same day it is submitted.
2. The tax due based on a tax assessment decision and any related financial penalties are payable. If the Authority issues an assessment by amendment or estimation and the appeal period stipulated in Article (17) of the Law expires without an appeal being filed, the taxpayer is obligated to pay the tax and related financial penalties within (30) thirty days from the end of the appeal period referred to.

3. If the Authority issues a tax assessment decision by amendment or estimation, and the taxpayer objects within the period stipulated in Article (17) of the Law and a decision is made on the appeal, the due tax based on the Authority's decision on the appeal and any related financial penalties are payable within (30) thirty days from the date the taxpayer is notified of the Authority's decision on the appeal.
4. If the taxpayer objects to a tax assessment decision by amendment or estimation, and the Authority does not respond to the appeal within the (60) sixty days stipulated in Article (18) of the Law, the tax due based on the tax assessment decision and any related financial penalties are payable within (30) thirty days from the end of the (60) sixty days referred to.

Article (45)

1. The due tax and any related financial penalties must be paid in one lump sum. However, with the Authority's approval, they can be paid in instalments, upon the taxpayer's request, if the following conditions are met:
 - a. The taxpayer proves financial instability making it difficult to pay the tax and financial penalties in one lump sum.
 - b. The taxpayer has not previously been granted instalment approval and failed to adhere to the instalment payment schedule.
 - c. The amount requested for instalment does not include due tax, related financial penalties, fines arising from any crimes stipulated in Article (26) of the Law, or tax deducted at source or related financial penalties.
2. Failure of the Authority to respond to the instalment request within (60) sixty days is considered an implicit rejection of the request. If approved, the calculation of financial penalties stipulated in Article (2/c) of the Law is suspended for the amounts included in the request.
3. If the taxpayer fails to pay any instalment on the scheduled date, all remaining instalments become immediately due, and the financial penalty specified in Article (24/c) of the Law is recalculated on the unpaid amounts, effective from the date of approval of the instalment request.

Article (46)

1. The President shall implement executive seizure procedures on the taxpayer's assets necessary for tax collection. This includes assets held by the taxpayer or others in cases where the tax assessment decision and related financial penalties become final and are not paid by the specified date. This applies under the following conditions:
 - a. The period for appeal specified in Article (17) of the Law has passed without the taxpayer filing an appeal against the tax assessment.
 - b. The taxpayer's written consent to the tax assessment decision or the Authority's decision on the appeal.
 - c. A final decision from the Tax Grievance Committee.
 - d. A final judicial judgment regarding the tax assessment or related financial penalties.
2. In accordance with the laws governing executive seizure, the Authority must notify the taxpayer using one of the methods specified in Article (67/ clause 1) of this Regulation, of its intent to impose an executive seizure on their assets. The taxpayer is requested to pay the due amounts within (30) thirty days, failing which the seizure will be executed up to the amount due.
3. If the taxpayer does not pay the amounts due within the period specified in clause (2) of this Article, the Authority will execute a seizure on the taxpayer's assets following the stipulated procedures, and the amounts due will be allocated as follows:
 - a. Costs of seizure and sale.
 - b. The tax.
 - c. Financial penalties.

Chapter II: Tax Refund

Article (47)

1. Taxpayers have the right to request a refund of taxes and related financial penalties collected from them without due cause. The refund request must be submitted to the Authority along with all supporting documents proving their entitlement, according to the provisions of Article (23) of the Law.

For refund requests related to withholding at source, the applicant must attach all documents proving their right to the refund, specifically:

- a. A tax residency certificate from the country of residence for the year from which the withholding occurred.

- b. Documentation appointing a tax agent or representative if the refund request is made by someone other than the beneficiary.
- c. Withholding certificates issued by the party who conducted the withholding.
- d. The contract or agreement with the party who conducted the withholding.
- e. A list of shareholders and actual beneficiaries of the company requesting the refund who benefited from the amounts paid by the party conducting the withholding.
- f. A bank certificate showing the account and bank identity of the requester.
- g. Provisions of the agreement under which the withholding was improperly conducted.

The Authority will consider the refund request and notify the taxpayer of its decision using one of the methods specified in Article (67/clause 1) of this Regulation within (60) sixty days from the date of submission of the request. Failure of the Authority to respond within this period is considered an implicit rejection of the request.

Taxpayers have the right to appeal the Authority's decision on the refund request before the Tax Grievance Committee, according to the provisions of Article (3) of this Regulation.

2. The Authority may request additional information or clarifications deemed necessary for processing the refund requests, and the taxpayer must provide these within (30) thirty days of being notified by the Authority. This period is not counted within the timeframe for the Authority to respond to the refund request. Failure of the taxpayer to provide the required information or clarifications results in the rejection of the refund request.
3. Taxpayers are entitled to compensation at a rate of (0.1%) per month of the tax and related financial penalties collected without due cause, for each month of delay or part thereof after the (60) sixty-day period from the date of submission of the refund request to the Authority, provided all supporting documents proving their entitlement are submitted. The calculation of this compensation stops if a final judicial decision is issued.
4. The delay period for refund requests based on an international agreement starts only from the date of the Authority's refusal of the request or the expiration of the period set for responding to it without a response.
5. The Authority must perform a reconciliation between what the taxpayer has overpaid in taxes or financial penalties and what is legally due and payable by them.

SECTION SEVEN: FINANCIAL PENALTIES

Article (48)

1. The President or his delegate may impose financial penalties specified in Article (24) of the Law as follows:
 - a. In cases where a tax assessment decision involves adjustment or estimation, financial penalties are included within the assessment decision.
 - b. In other cases not referred to in the previous clause, penalties are imposed by a separate decision and the taxpayer is notified accordingly.
2. The period for calculating the delay penalty stated in Article (2, clauses 1 and 2) of the Law begins the day following the deadline for filing the tax return, including any extensions granted according to this Regulation.
3. For the purposes of calculating the financial penalty stated in Article (24, clause 2) of the Law, part of a month is considered a full month.
4. A financial penalty for late submission of the tax return, as stated in Article (24, clause 1) of the Law, is imposed along with the penalty specified in clause (4) of the same Article if the taxpayer has benefited from a tax exemption.
5. For the purposes of applying the provisions of Article (24, clause 6) of the Law, a financial penalty is imposed for each contract, agreement, or transaction not notified to the Authority separately.
6. With respect to Article (2, clause 6) of the Law, the financial penalties specified in Article (24, clause 3) of the Law apply to all notifications stipulated in this Regulation.

Article (49)

1. For the purposes of applying the provisions of Article (25) of the Law, the exemption limit set for the President applies separately for each tax year.
2. Exemption from financial penalties is granted upon request, submitted by the taxpayer or their tax agent, based on justifications accepted by the Authority. The Authority's failure to respond to the request within (60) sixty days from the date of submission is considered an implicit rejection.
3. An exemption decision issued under Article (25) of the Law applies to financial penalties imposed according to Article (24) of the Law for the period before the exemption decision is issued.

SECTION EIGHT: TAX AVOIDANCE

Article (50) (Amended by Cabinet Decision 2023/3)

1. Tax avoidance, as defined in Article (33, clause 1) of the Law, involves entering into agreements, operations, or transactions where one of the primary goals is to reduce taxable income, create a loss, increase a loss, or use double taxation agreements for this purpose, including cases where the due tax amount becomes negligible.
2. "Tax benefit," in applying the provisions of Article (33, clause 1) of the Law, specifically includes:
 - a. Reducing the tax due by reducing total income or increasing deductions or losses.
 - b. Obtaining a tax exemption.
 - c. Refunding tax amounts or financial penalties paid.
3. The agreements, operations, and transactions referred to in Article (33, clause 1) of the Law, particularly include:
 - a. Agreements, operations, and transactions organized and executed through an arrangement or a series of interconnected arrangements aimed at tax avoidance. This provision does not apply to agreements, operations, and transactions undertaken in good faith for legitimate business purposes, where tax avoidance is not a primary goal.
 - b. Agreements, operations, and transactions involving the taxpayer splitting and partially or wholly transferring income to another person or persons linked to them for the purpose of avoiding tax fully or partially.
4. Tax benefits are withdrawn by the Authority in cases stipulated in Article (33) of the Law by a tax assessment decision according to Article (14) of the Law. To determine the tax due in such cases, the value of the benefit obtained by the taxpayer from the withdrawn tax benefit is added to the taxable income.

Article (51) (Amended by Cabinet Decision 2023/3)

Every Qatari project must engage in substantial activity and have a real presence in the state. Residents in the state must not facilitate structures or arrangements aimed at generating profits that do not reflect substantial activity within the state.

Chapter II: Indirect Transfer of Profits between Related Entities**Article (52)**

Each entity linked to other entities must properly consider transfer pricing requirements when determining prices and other terms for transactions between them, and report the income from these transactions in their tax returns.

In this case, linked entities, will bear definition set by international accounting standards.

Transfer prices, on the other hand, will refer to prices at which one entity transfers physical or non-physical assets or provides services to linked entities.

Article (53)

For tax calculation purposes, every entity must determine the prices of transactions with its linked entities based on the arm's length principle, using reasonably available information and evaluate those prices at the time of the transaction, and at the latest, by the time of filing the tax return for the accounting period in which the transaction occurred.

The arm's length principle means pricing applied between two independent entities.

Article (54)

Every entity linked to others must perform and report a functional analysis in its tax returns, considering the comparable data available.

The functional analysis should describe the entity's economic position and role relative to its linked entities, identifying the functions performed, potential risks, and both tangible and intangible assets utilized.

Article (55)

To apply the arm's length principle, every linked entity must annually update the financial data for comparable transactions that occur between it and an independent entity or between two independent entities.

A linked entity must update its search for comparable transaction data in financial databases every three years, provided that its business conditions remain unchanged.

Article (56)

A linked entity must provide the necessary information to the Authority to identify and assess its transfer pricing risks and to audit its transfer pricing practices.

It must submit a transfer pricing statement with its annual tax return using the form prepared by the Authority if its total revenue or total assets shown in its balance sheet meet or exceed the threshold set by the Authority.

The Authority may request additional information from a linked entity within a maximum of thirty days from the date of the request to aid in assessing transfer pricing risks or auditing its practices. The Authority may also provide a transfer pricing questionnaire tailored to the areas it specifies.

During a tax audit, the Authority may require a linked entity to supplement the information provided in the transfer pricing form or questionnaire with additional documents and information.

Article (57)

A resident entity linked to others must submit both a master file and a local file in the format established by the OECD, unless the Authority adopts its own forms. The submission is to be made within the timeframe specified for returns or within any other timeframe set by the Authority. This obligation applies under the following conditions:

1. The entity's total revenues or total assets, shown on its financial statements, meet or exceed the threshold set by the Authority.
2. One of the linked entities is resident outside the state.

This obligation takes effect from the tax year beginning on or after a date specified by a decision from the President for this purpose.

Article (58)

The Authority may rely on the information contained in the master and local files to assess transfer pricing risks and during tax audits.

Article (59)

An entity must demonstrate to the Authority that its transactions with linked entities comply with the arm's length principle and provide sufficient documentation to prove this.

Article (60)

The Authority may request from the entity all the information and documents in its possession that are necessary to conduct an audit of its transfer pricing practices concerning its transactions with related entities, including:

1. Information and documents related to the operations and functions of the entity.
2. Information and documents related to the operations, functions, and financial results of the related entities with which transactions have been conducted.
3. Information related to potential comparisons, including internal comparisons of the related entities.
4. Documents related to the operations and financial results of unrelated entities that may be used for comparison and the transactions conducted between them.
5. Other information and documents held by the entity or its related entities.

Article (61)

Claiming that other linked entities are responsible for complying with transfer pricing provisions does not absolve an entity from providing the required documents.

Full documentation of transactions between linked entities does not prevent adjustments to their prices if they are found not to be at arm's length.

Article (62)

An entity must retain transfer pricing information and documents concerning transactions with its linked entities in compliance with legal requirements.

Article (63)

When calculating the tax due on the entity, the taxable income shall include the profits indirectly transferred to another related entity, whether through an increase or decrease in the agreed transaction prices between them, or by any other means. This determination is made by comparing the indirectly transferred profits to the profits that would have been realized if there were no relationship between the two entities or through other relevant comparisons.

The provisions of the previous paragraph shall also apply to transactions conducted between:

1. A resident entity and another unrelated entity if:
 - a. One of the entities benefits from a preferential tax regime.
 - b. The other entity is resident in a non-cooperative state or territory, defined as one that has not signed an information exchange agreement with Qatar, with non-cooperative jurisdictions determined by a ministerial decision.
2. An entity and one of its permanent establishments, if one operates in the state.

Article (64)

The minister will issue regulations detailing the conditions and procedures for a bilateral advance pricing agreement and any necessary controls to apply the provisions of this section.

SECTION NINE: GENERAL PROVISIONS**Article 65**

A taxpayer may appoint a tax agent registered with the Authority to represent and act on their behalf in tax matters without compromising the taxpayer's legal responsibility. If the taxpayer or their representative is not sufficiently qualified in accounting, they must appoint a tax agent. In all cases, the individual who audited the taxpayer's financial statements cannot serve as a tax agent before the Authority.

The Minister will issue regulations outlining the procedures and conditions for appointing tax agents, their obligations, and the exceptions to requiring a tax agent.

Article 66

Communications between the Authority and a taxpayer's appointed tax agent, in accordance with this Regulation, have the same legal validity as if they were with the taxpayer themselves.

Article 67

1. Communications from the Authority to taxpayers or other parties are conducted through one of the following methods:
 - a. Direct delivery with a receipt signature
 - b. Registered mail
 - c. Electronic means that provide confirmation of receipt, such as email
 - d. Electronic systems, programs, and applications approved by the Authority

2. Communications from taxpayers or other parties to the Authority are conducted through one of the following methods:
 - a. Registered mail to the Authority's postal address
 - b. Hand delivery at the Authority's office, according to its approved procedures
 - c. Electronic systems, programs, and applications approved by the Authority

Article 68

1. For the purposes of the previous Article, the following contact addresses of the person to be notified are recognized:
 - a. The latest postal address of the taxpayer registered with the Authority or specified by the person to be notified, or typically used in their correspondence, or their last known residence or place of business.
 - b. The latest email address of the taxpayer registered with the Authority or specified by the person to be notified.
2. When notifying a legal entity via email, the following order is observed:
 - a. The email address previously provided.
 - b. The email address of the legal representative of the entity to be notified.
 - c. The latest known email address of a person acting on behalf of the entity to be notified.

Article 69

The Authority will establish necessary electronic systems, programs, and applications to digitally implement the provisions and procedures of the Law and this Regulation. The rules and procedures included in these systems apply unless they conflict with the Law or this Regulation.

Individuals subject to the provisions of the Law and this Regulation must comply with their tax obligations through these systems from the date announced on the Authority's website and published in at least two widely circulated local daily newspapers.

All registered taxpayers at the time these systems are implemented must adjust their registrations with the Authority according to the provisions of this Regulation within 90 days from the start of these systems. The President may extend this period for additional similar periods.

Article 70

In the event of a merger according to the Commercial Companies Law, the merged company assumes all tax obligations of the merged companies arising before the merger's completion.

Similarly, companies resulting from a division assume all tax obligations of the original company related to obligations arising before the division's completion, within the limits of what they received from the divided company.

Article 71

Ministries, other government agencies, public authorities, and institutions must provide the Authority with the information or data it requests for its operations and cooperate with it within their respective competencies.



[f in](#) General Tax Authority [@](#) Qatar.tax [X](#) Tax_qatar

In-Qatar Number: 16565
International Number: +974 4406 9941
E-mail: info@gta.gov.qa
www.gta.gov.qa