

INTERNATIONAL COMPARISON

July 2021



What's in this issue: Corporate Taxable Income

Auren International Comparison is a quarterly publication that provides you an overview of trends and international tax developments by comparing tax issues in different legislations around the world, that may affect those doing business in multiple locations.

Constant legislative, regulatory, and judicial changes, along with globalization, economic shifts, and operational adjustments, are challenging issues. Now more than ever, in an increasingly globalized world, companies must have a total perspective and awareness of tax issues, and this publication aims to cover key tax topics which should be of interest to businesses operating internationally.

This edition includes numerous country focus pieces, in which it is analyzed some aspects concerning the application of the corporate taxable income such as; rates, surcharges, deductions and other key important points.

We hope that you find this publication helpful.

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Argentina

Financial Year / Period	Closing date can be any day of the year in the case of taxpayers who keep accounting books. In the case of taxpayers who do not keep accounting books, the fiscal period is 1/1 to 12/31
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Corporate Taxable Income Rates				Tax rate		
	For fiscal period 2020			30%		
	For fiscal period 2021, the following table expressed in AR \$					
	Accumulated net taxable profit			pay \$	plus the %	on the excess of \$
	More than \$	to \$				
	\$ 0	\$ 0	\$ 0	25%	\$ 0	
	\$ 5.000.000	\$ 5.000.000	\$ 1.250.000	30%	\$ 5.000.000	
\$ 50.000.000	\$ 50.000.000	\$ 14.750.000	35%	\$ 50.000.000		

	Years
Net Operative Losses (Carrying forward Period)	5 years
Specific losses for sale of shares and other financial transactions (Carrying forward Period)	5 years
Specific loss for operations with derivative instruments (Carrying forward Period)	5 years

	Type
Deductions from Business Income	<ul style="list-style-type: none"> • Wages and social security contributions • Depreciation and Amortization • Bad Debts • Insurance Premium • Other expenses necessary to generate profits • Cost of sale of goods and services

Tax Deducted at Source / Withholding Taxes (local suppliers)	Type	Normative	%	Remarks
	Royalties / Technical Know how	RG AFIP 830	2%	on the excess of AR \$224.000.-
	Interest	RG AFIP 830	3% / 6%	on the excess of AR \$7.870.-
	Real estate selling	RG AFIP2139	3%	
	Rent (Plant & Machinery, Land & building)	RG AFIP 830	6%	on the excess of AR \$11.200.-
	Dividends	RG AFIP 4478	7%	
	Wages	RG AFIP 4003	Scale up to 35%	on the excess of AR \$81.044.-
	Services rendered	RG AFIP 830	2%	on the excess of AR \$67.170.-
Resident Contractors and Professionals	RG AFIP 830	Scale up to 31%	on the excess of AR \$16.830.-	

Argentina

		Date	Form No.
Withholding Tax Compliances	Due date for payment of Withholding Taxes	Fortnightly	N/A
	Due date for filing of returns for Withholding Taxes	By 13th of each succeeding month	Form No 744

		Date	Form No.
Due Dates for Tax Returns / Compulsory Audit	Corporate Tax Returns	The fifth month after the close of the fiscal year	Form 713
	Presentation of balance to the AFIP	The sixth month after the close of the fiscal year	N/A
	Transfer Pricing studies	The sixth month after the close of the fiscal year	Form 2668/4501
	Transfer Pricing Master File	The twelfth month after the close of the fiscal year	N/A

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization Rules	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

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Austria

Financial Year / Period	if the corporation has a deviating financial year, the financial year is also deviating	BEGIN: 01/01/20XX	END: 31/12/20XX			
Corporate Taxable Income Rates	a minimum tax of 1.750,- Euro has to be paid regardless of the income level; This minimum tax is credited in later years if there is corresponding income	Tax rate 25%				
Surcharges / Cess on Tax	SURCHARGE ON TAX	none				
	CESS ON TAX (Applicable on all)					
	research and development	14%				
Net Operative Losses (Carrying forward Period)	loss can be carried forward without limitation					
Deductions from Business Income	<table border="1"> <thead> <tr> <th>Type / %</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and Amortization Bad Debts </td> </tr> <tr> <td> <ul style="list-style-type: none"> Insurance Premium Contribution to Statutory funds / Social Security Schemes All other business expenditure </td> </tr> </tbody> </table>			Type / %	<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and Amortization Bad Debts 	<ul style="list-style-type: none"> Insurance Premium Contribution to Statutory funds / Social Security Schemes All other business expenditure
Type / %						
<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and Amortization Bad Debts 						
<ul style="list-style-type: none"> Insurance Premium Contribution to Statutory funds / Social Security Schemes All other business expenditure 						
Tax Deducted at Source / Withholding Taxes	Type	%	Remarks			
	Salary	progressive rate				
	Dividends	27,50%				
	granting of line rights	8,75 % / 10%				
	foreign companies with domestic activity					
	Royalties / commercial or technical Know how / artists and sportsmen supervisory board compensation / lecturer /staff leasing	20%				
Withholding Tax Compliances		Date	Form No.			
	Due date for payment of Withholding Taxes (salary) and filing returns	15th of the following month				
	Due date for payment of Withholding Taxes (dividends) and filing returns	one week after payment	Ka1 (same date)			
	Due date for payment of Withholding Taxes (foreign co.) and filing returns	15th of the following month	E19 (same date)			

Austria

		Date	Form No.
Due Dates for Tax Returns / Compulsory Audit	Corporate Tax Returns (if there is no tax representation by tax advisor)	30th June following year	K1

Others	Yes / No
Special Tax Regimes	NO
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	NO, only guidelines oriented on OECD MTC
Thin Capitalization	NO (but one arm's length principle)
Restructuring Transactions	YES
Controlled foreign companies	YES
Special Territory Tax Regimes	NO

COVID Incentives by Government	
	Loss carry back
	investment premiums
	30 % depreciation of newly acquired assets
	short-time-working (reduce working ours and still remain in an upright employment relationship with 80-90 % wage compensation)
	different kind of subsidies (for fixed costs / turnover replacement)



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Chile

Financial Year / Period	BEGIN: 01/01/2020	END: 31/12/2020	
			Tax rate
Corporate Taxable Income Rates	Segmented entities in large companies		27%
	Entities segmented into small and medium-sized companies (PYMES)		25%
	Entities segmented into PYMES from 2020 to 2022		10%
	Entities not incorporated as companies		25%
	Foreign Companies		27%
Surcharges / Cess on Tax	SURCHARGE ON TAX		
	For Income up to INR 10 Million		NA
	For Income between INR 10 million to INR 100 million		N/A
	For Income Above INR 100 Million		N/A
	For Companies u/s 115BAA or 115BAB (i.e. For Domestic Companies or New Manufacturing Companies)		N/A
	CESS ON TAX (Applicable on all)		
	Health & Education Cess		0%
Net Operative Losses (Carrying forward Period)	Years		
	Business Loss	Depreciation Loss	
	Without limits	According to the useful life of the good itself	
Deductions from Business Income	Type / %		
	<ul style="list-style-type: none"> • Employee Benefit Expenditure • Depreciation and amortization • Bad Debts 	<ul style="list-style-type: none"> • Insurance Premium • Contribution to Statutory funds (up to specified limits) / Social Security Schemes • All expenses associated with income generation 	

Chile

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	0 - 40%	According to progression
	Interest	35%	Financial institutions 4%
	Sale of property	15%	
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	35%	
	Dividends	35%	
	Royalties / Technical Know how	15%	
	Resident Contractors and Professionals	15%	

		Date	Form No.
Withholding Tax Compliances	Due date for payment of Withholding Taxes	Same remittance period	Form No 50
	Due date for filing of returns for Withholding Taxes	Per event	Form No 50

		Date	Form No.
Due Dates for Tax Returns / Compulsory Audit	Corporate Tax Returns	within 3 years	Form 2117
	Company Tax Audit	within 3 years	
	Transfer Pricing Audit	correlative adjustment	Agreement between authorities

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Corporate transitional rate lowered to 10% for small and medium-sized enterprises.

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Colombia

Financial Year / Period	BEGIN: 01/01/20XX	END: 31/12/20XX	
			Tax rate
Corporate Taxable Income Rates	General Tax Rate for companies 2021		31%
	General Tax Rate for companies from 2022 onwards		30%
	Tax Rate for state enterprises selling liquor and games of luck and chance		9%
	Tax Rate for some hotel companies		9%
	Tax rate for companies of book publishing, scientific or cultural magazines		9%
	Some ecotourism parks		9%
Surcharges / Cess on Tax	SURCHARGE ON TAX		
	Financial institutions 2021		3%
	Financial institutions 2022		3%
Net Operative Losses (Carrying forward Period)	Years		
	Business Loss	Depreciation Loss of plant and equipment	
	12 years	10 years	
Deductions from Business Income	Type / %		
	<ul style="list-style-type: none"> • Employee Benefit Expenditure • Depreciation and amortization • Bad Debts • Insurance Premium • Contribution to Statutory funds (up to specified limits) / Social Security Schemes • All other business expenditure which are not capital in nature 		

Colombia

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Slab Rates	
	Interest	7%	
	General sales	2,5%	
	Sale of property	1%	
	Vehicles sale	1%	
	General services	4%	
	Fees/ Technical Know how	11%	
	Dividends	10%	

		Date	Form No.
Withholding Tax Compliances	Due date for payment of Withholding Taxes	within two months of the declaration	
	Due date for filing of returns for Withholding Taxes	Monthly By 15th business day of each succeeding month	Form No 350

		Date	Form No.
Due Dates for Tax Returns / Compulsory Audit	Corporate Tax Returns	From April to may	Form110
	Transfer Pricing Audit	from 7th September	Form 120
	Annual statement of assets held abroad	From April to may	Form 160

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns
	Reduction in Withholding Rates
	goods exempt from VAT

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Ecuador

Financial Year / Period	BEGIN: 01/01/2021	END: 31/12/2021		
Corporate Taxable Income Rates	General Tax rate		Tax rate	
	Tax Rate for Domestic Companies with certain conditions		25%	
	Companies with revenues of less than \$300.000,00		22%	
	Any other case		2%	gross income
	Foreign Companies in tax havens		25%	
Surcharges / Cess on Tax	SURCHARGE ON TAX			
	Does not apply			
	SURCHARGE ON TAX SURCHARGE ON TAX SURCHARGE ON TAX (Applicable on all)			
	Contributions to social security		11,15%	of the employee's salary
Net Operative Losses (Carrying forward Period)	Years			
	Business Loss	Depreciation Loss		
	5 years	5 years		
Deductions from Business Income	Type / %			
	<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and amortization Investments and sponsorships approved by the competent authority 	<ul style="list-style-type: none"> Insurance Contribution to Statutory funds (up to specified limits) / Social Security Schemes All other expenses that help to generate or maintain income 		

Ecuador

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	9,45%	Social Security
	Interest	0% to 25%	Dependes on the case
	Sale of property	1%	
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	0%	
	Dividends	up to 25%	based on 40% of the dividend
	Royalties / Technical Know how	8%	
	Resident Contractors and Professionals	10%	

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	Monthly, depends on the nine digit of I.D.	103, 106
	Due date for filing of returns for Withholding Taxes	Monthly	103, 106

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	External auditory on financial statements (deadline for hiring the auditor)	30th September	

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	YES
Thin Capitalization	NO
Restructuring Transactions	YES
Special Territory Tax Regimes	NO

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns

Egypt

Financial Year / Period	BEGIN: 01/01/2021	END: 31/12/2021
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		Tax rate	Remarks
Corporate Taxable	Flat rate on reseedent taxpayers (Local/ foreign tax-payer)	22,5%	
Income Rates	Capital Gains	22,5%	Included in the tax return
	Dividends income	2,25%	Included in the tax return. 90% Exempted and the remaining 10% income is subject to 22.5% general rate (So effective tax rate is 2.25%)

Net Operative Losses (Carrying forward Period)	Years	
	Business Loss	Depreciation Loss
	5 years	Tax depreciation included in business loss (5 years)

	Type / %	
Deductions from Business Income	<ul style="list-style-type: none"> • Depreciation according to tax rates • Capital gains • Bad debts matching tax criteria (previously added to taxable income) • Provisions reversals previously added to taxable income 	<ul style="list-style-type: none"> • Long term contracts losses previously added to taxable income • Unrealized foreign exchange gain • Unrealized foreign exchange loss (previously added to taxable income) • Contribution to charitable organizations

Additions to Business Income	<ul style="list-style-type: none"> • Accounting depreciation • Capital losses • Donations • Provisions • Penalties 	<ul style="list-style-type: none"> • Bad debts • Undocumented expenses in excess of 7% of documented expenses • Contribution to approved charitable organizations • Solidarity insurance (0.0025% of income)
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Egypt

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Tires Rates on annual income brackets (from 10%-25%)	
	Sale of property (on transaction value)	2,5%	
	Rent (Double tax treaty applies if any)	3%	
	Other payments of services	3%	
	Other payments of goods	1%	
	Dividends	10% (not listed), 5% (listed)	
	Royalties (Double tax treaty applies if any)	20%	

Value Added Tax		%	Remarks
	Standard rate	14%	57 goods and services are exepcted by law
	Professionals	10%	
	Contracting services	5%	
	Other speceified in special rate schedule	range of rates	25 goods and services defiened by law

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	Quarterly, 31/4, 31/7,	Form 41
	Due date for filing of returns for Withholding Taxes	31/10, 31/1	Form 11

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	31 April (Automatic extension is possibile till 30 June)	Form 28
	Company Tax Audit	1 year following the official company's year-end	
	Transfer Pricing Filing	2 months following corporate tax submission	

Egypt

Others	Yes / No
Special Tax Regimes	NO
DTAA	NO
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	NO
Restructuring Transactions	NO
Special Territory Tax Regimes	NO

COVID deductions to help economy	Corporate Symbiotic contribution: 0.0025 of total annual income
	Individual Symbiotic contribution: 1% of net monthly salary



Germany

Financial Year / Period	BEGIN: 01/01/20XX	END: 31/12/20XX		
Corporate Taxation	Corporate income Tax	15%		
	Trade Tax	14% to 17%		Allowance of 24.500 EUR solely for sole proprietorships and business partnerships
Surcharges / Cess on Tax	SURCHARGE ON TAX			
	Solidarity surcharge	5,5%		
Deductions from Business Income	Type / %			
	<ul style="list-style-type: none"> • Wages and salaries • Rent • Social security contributions 	<ul style="list-style-type: none"> • Purchase of goods • Insurance Premium 		
Tax Deducted at Source / Withholding Taxes	Type	%		Remarks
	Income Tax on wages payable	15%-45%		
	Director's tax	30%		
	Withholding tax on capital investments	25%		
	Surcharge on withholding tax	5,5% of 25%		
Withholding tax for construction work	15%			
Withholding Tax Compliances		Date		Remarks
	Due date for payment of Withholding Taxes	Principle: Within the first 10 days the month after the tax has been withheld by the company; Exemption for non capital market-oriented corporations: Withheld taxes have to be paid concurrently to the payment of the capital gain/dividends.		Form 41

Germany

Due Dates for		Date	Remarks
Tax Returns / Compulsory Audit	Corporate Tax Returns	31th July of the following year	28th February of the year after in case the client is represented by a certified tax consultant.
	Company Tax Audit	Tax claims expire 4 years after the end of the calendar year	

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Possibility of tax deferrals
	Deferring tax prepayments
	Waiver of enforcement measures and default surcharges



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India

Financial Year / Period	BEGIN: 01/04/20XX	END: 31/03/20XX
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		Tax rate
Corporate Taxable Income Rates	Companies having turnover up to INR 400 Billion in FY 2017-18	25%
	New Tax Rate for Domestic Companies with certain conditions	22%
	Corporate Tax Rate for New Manufacturing Companies	15%
	Any other case	30%
	Foreign Companies	40%

Surcharges / Cess on Tax	SURCHARGE ON TAX		
	For Income up to INR 10 Million	NIL	
	For Income between INR 10 million to INR 100 million	7%	
	For Income Above INR 100 Million	12%	
	For Companies u/s 115BAA or 115BAB (i.e. For Domestic Companies or New Manufacturing Companies)	10%	Irrespective of Total Income
	CESS ON TAX (Applicable on all)		
	Health & Education Cess	4%	

Net Operative Losses (Carrying forward Period)	Years	
	Business Loss	Depreciation Loss
	8 years	4 years

	Type / %	
Deductions from Business Income	<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and amortization Bad Debts Insurance Premium 	<ul style="list-style-type: none"> Contribution to Statutory funds (up to specified limits) / Social Security Schemes All other business expenditure which are not capital in nature

India

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Slab Rates	
	Interest	10%	
	Sale of property	1%	
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	2%,10%,5%	
	Dividends	10%	
	Royalties / Technical Know how	10%	
	Resident Contractors and Professionals	1%/2% & 10%	

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	By 7th of each succeeding month	Form No 281
	Due date for filing of returns for Withholding Taxes	Quarterly	24Q,26Q,27Q

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	30th September	Form 6
	Company Tax Audit	30th September	3CA & 3CD
	Transfer Pricing Audit	30th November	Form 3CEB

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns
	Reduction in Withholding Rates



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Ireland

Financial Year / Period	BEGIN: 01/01/XX	END: 31/12/XX
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		Tax rate
Corporate Taxable Income Rates	Trading companies	12,50%
	Non Trading companies such as rental companies	25%

Surcharges / Cess on Tax	SURCHARGE ON TAX	
	Professional Services Surcharge	15%
	Close Company Surcharge	20%

Net Operative Losses (Carrying forward Period)	Years	
	Capital Loss	Business Loss
	Indefinitely	Indefinitely

Type / %	
Deductions from Business Income	All business expenditure which are not capital in nature

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Slab Rates	
	Interest (does not apply to non residents)	20%	
	Sale of property	20%	
	Rent (Land & building)	20%	
	Relevant Contracts Tax	0-30%	
	Royalties / Technical Know how (does not apply to non-residents)	20%	
	Exit tax on certain life assurance products	30%	

Ireland

Withholding Tax Compliances	Date		Form No.
	Due date for payment of Withholding Taxes	Day 14 of following month	Vaious
	Due date for filing of returns for Withholding Taxes	Monthly	

Due Dates for Tax Returns	Date		Form No.
	Corporate Tax Returns (assuming a 31st December year end)	30th September	CT1

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	NO
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns
	Reduction in VAT Rates
	Special payment arrangements



Israel

Financial Year / Period	BEGIN: 01/01/XX	END: 31/12/XX		
			Tax rate	
Corporate Taxable Income Rates	Corporate tax for companies		23%	
	"Preferred enterprise" in accordance with the "Capital Investment Encouragement Law"*		5% to 16%	Depends on the geographical area
	* Companies in the field of technology (Software development, application development), traditional manufacturing plants (plastics, cosmetics, machining).			
Surcharges / Cess on Tax	SURCHARGE ON TAX			
	No surcharge on tax			
	CESS ON TAX (Applicable on all)			
	No cess on tax			
Net Operative Losses (Carrying forward Period)	Type	Offset from		
	Business Loss	Business income, capital gain (Resulting from the sale of capital assets, which were used to generate income from a business) whether it originates in Israel or abroad.		
	Capital loss	Generated from a business activity - Business capital gain, Business income Not from Business - Capital gain Generated from securities - capital gain from securities, dividend, interest		
	Business Loss from abroad	Business loss from abroad, capital gain from abroad		
	Passive Loss from abroad	Passive income from abroad		
	* No limited period for carrying forward			
Deductions from Business Income	Type / %			
	<ul style="list-style-type: none"> • Employee Benefit Expenditure • Depreciation and amortization • Bad Debts 	<ul style="list-style-type: none"> • Insurance Premium • Contribution to Statutory funds (up to specified limits) / Social Security Schemes • All other business expenditure which are not capital in nature 		

Israel

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Slab Rates	
	Interest	15-25%	
	Sale of property		
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)		
	Dividends	0-33%	Dividend between two Israeli companies is exempt from tax
	Royalties / Technical Know how		
	Resident Contractors and Professionals		
	Payment to a foreign resident* *With a special confirmation by the tax authorities the payer can receive reduced withholding tax rate until exemption	0 to 50%	For a company - corporate tax For an individual - slab rates For passive income - according to special tax rates

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	Monthly - By 15th of each succeeding month	Form No 102
		Yearly - By April of each succeeding year	Form 126, Form 856
	Due date for filing of returns for Withholding Taxes, made by recipient on a voluntary basis.	up to 6 years after the end of the relevant tax year	Form No 135

Due Dates for Tax Returns		Date	Form No.
	Corporate Tax Returns	31/5/20x1	Audited financial statements + 6111 (with turnover higher than 500,000 NIS)
	Company Tax Audit	31/5/20x1	1214 + additional forms
	Transfer Pricing Audit	31/5/20x1	1385

*Companies registered through representatives (accountants, tax consultants), receive an extensions arrangement until 31/3/20X2

Israel

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns
	Grants to controlling shareholders
	State-guaranteed loans

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Italy

Financial Year / Period	BEGIN: 01/01/XX	END: 31/12/XX	
Corporate Taxable Income Rates	Income tax on Natural Persons (IRPEF) for Partnership: tax income is paid by the partners of the company in relation to the profits participation. The rate changes by income brackets.		Tax rate 23% to 15.000; 27% up 15.000 to 28.000; 38% up 28.000 to 55.000; 41% up 55.000 to 75.000 43% up 75.000
	Italian Tax on Corporate Income (IRES)		24%
	In addition For every company IRAP (Regional tax on productive activities)		Usually ordinary rate 3,9%
	Any other case		-
	Foreign Companies with permanent establishment in Italy		24% (IRES)+3,9%(IRAP)
Surcharges / Cess on Tax	SURCHARGE ON TAX		
	"Dormant company" : Not operative companies according to standards provide by fiscal Italian law		IRES: 24%+10,5%
	Supplements to IRPEF: the rates are different in every Region and Municipality where the tax domicile is fixed by the company		Regional supplements: from 1,23% to 3,33%; Municipality supplements: not exceed 0,8%
Net Operative Losses (Carrying forward Period)	Years		
	Business Loss	Depreciation Loss	
	no limit : - for the first three years used 100% of the income -in the following years used every year for the 80% of the income		Indefinitely

Italy

	Type / %	
Deductions from Business Income	Employee Benefit Expenditure	normally 100%, except for cars, room and board, mobile phones
	Depreciation and Amortization	Different ministerial rate for each assets
	Bad Debts	Accrual: 0,5% of nominal value of the total amount of trade receivables, if the allowance for doubtful accounts not exceed 5% of trade receivables. Loss on receivables: 100% if there are certain and specific elements or in any case if the debtor is put through an insolvency procedure.
	Insurance Premium	only limits for cars
	Contribution to employee / Social Security	100%
	All other business expenditure which are not inerent to the business activities	100% not deductible

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	within the 16th day of following month or quarter of income payment	F24
	Due date for filing of returns for Withholding Taxes	within 31th October of the following year	770

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	within the 9th month of the following year	SC/SP
	Company Tax Audit	within 5 years from the submission of the form to the tax office	Verification notice
	Transfer Pricing Audit	within the 9th month of the following year	SC

Italy

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	Not payment the IRAP 2019 and first advance for the year 2020
	Extension of due dates in filing of Withholding Tax returns
	Extension of due dates for payment taxes
	Not taxable contributions and indemnities



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Japan

Financial Year / Period	BEGIN: 01/04/20XX	END: 31/03/20XX
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		Tax rate
Corporate Taxable Income Rates	Companies having turnover up to INR 400 Billion in FY 2017-18	25%
	New Tax Rate for Domestic Companies with certain conditions	22%
	Corporate Tax Rate for New Manufacturing Companies	15%
	Any other case	30%
	Foreign Companies	40%

Surcharges / Cess on Tax	SURCHARGE ON TAX		
	For Income up to INR 10 Million	NIL	
	For Income between INR 10 million to INR 100 million	7%	
	For Income Above INR 100 Million	12%	
	For Companies u/s 115BAA or 115BAB (i.e. For Domestic Companies or New Manufacturing Companies)	10%	Irrespective of Total Income
	CESS ON TAX (Applicable on all)		
	Health & Education Cess	4%	

Net Operative Losses (Carrying forward Period)	Years	
	Business Loss	Depreciation Loss
	8 years	4 years

Fiscal year end can be any date but it shall be one year or less.

Usually it is one year.

March 31 year end is popular as it is the same as government year.

National corporate income tax rate:

For corporations whose paid in capital is equal to or less than JPY100m

Up to JPY8m taxable income 15,0%

More than JPY8m taxable income 23,2%

For corporations whose paid in capital is more than JPY100m

23.20% flat rate

In addition **local special corporation tax** is levied

Tax rate is 10.3% of above national corporate income tax

Local corporate income tax

For corporations whose paid in capital is equal to or less than JPY100m:

Inhabitant tax:

10.3% of national corporate income tax + taxation per capita basis

Enterprise tax:

Omitted as calculation is so complicated

It is tax deductible when paid.

Aggregate effective income tax rate is 29.74%.

Net Operating Loss can be carried forward for 10 years to offset against future taxable income.

Loss carry back is allowed for one year for corporations whose paid in capital is equal to or less than JPY100m

Japan

	Type / %	
Deductions from Business Income	<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and amortization Bad Debts 	<ul style="list-style-type: none"> Insurance Premium Contribution to Statutory funds (up to specified limits) / Social Security Schemes All other business expenditure which are not capital in nature

Deductible

Deductible. Method is prescribed in the tax law.

Deductible under certain condition

Deductibles under certain condition

Basically social insurance premium paid is totally deductible

Capital nature expense is subject to capitalization and depreciation

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Slab Rates	
	Interest	10%	
	Sale of property	1%	
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	2%,10%,5%	
	Dividends	10%	
	Royalties / Technical Know how	10%	
	Resident Contractors and Professionals	1%/2% & 10%	

Please note below payments are subject to international tax treaty. Hence tax rate varied on tax treaty.

Payment to non-resident or foreign corporation is subject to withholding tax

Remittance of proceeds on sales of property located in Japan to non-resident or foreign corporation is subject to withholding tax

Rent on premises located in Japan paid to non-resident or foreign corporation is subject to withholding tax

Dividends payment is subject to withholding tax. Tax rate varies on type of shares. Payment to overseas is subject to withholding tax.

Royalty payment to non-resident or foreign corporation is subject to withholding tax

Professional fee paid for services rendered out side Japan is not subject to withholding tax.

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	By 7th of each succeeding month	Form No 281
	Due date for filing of returns for Withholding Taxes	Quarterly	24Q,26Q, 27Q

Due date is 10th of the following month of payment

Information return on withholding tax shall be filed once a year by the end of January of the following year

Japan

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	30th September	Form 6
	Company Tax Audit	30th September	3CA & 3CD
	Transfer Pricing Audit	30th November	Form 3CEB

Within two months after fiscal year end but one month extension is usually allowed
 The schedule depends on tax office
 The schedule depends on tax office

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

We have consolidate tax return system
 Yes
 Yes
 Yes

COVID Incentives by Government		
	Extension of due dates in filing of Income Tax Returns	Allowed for some cases
	Extension of due dates in filing of Withholding Tax returns	Not allowed basically
	Reduction in Withholding Rates	No



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Lebanon

Financial Year / Period	BEGIN: 01/01/20XX	END: 31/12/20XX	
			Tax rate
Corporate Taxable Income Rates	Corporate Income Tax		17%
	Offshore Companies		1 Million LBP
	Holding Companies		1.8 to 5 Million LBP
	Capital Gains on Disposals of Fixed Assets		15%
	Exemptions		
Permanent Exemptions CIT	<ul style="list-style-type: none"> • Educational institutions. • Hospitals, orphanages, asylums, and other shelters that admit patients free of charge. • Shipping, sea, and air transport associations (subject to certain restrictions). • Holding companies and offshore companies. • Farmers, provided they do not display farm produce and cattle outlets or sell products and meat after conversion tax. • Public sector bodies that do not compete with private institutions. • Miscellaneous non-profit organisations and co-operatives. • Syndicates and other types of professional associations. 		
Net Operative Losses (Carrying forward Period)	Years		
	Business Loss		Depreciation Loss
	3 years		3 years
	Type / %		
Deductions from Business Income	<ul style="list-style-type: none"> • Consumables and External Services • Salaries and Wages • Social Security Contributions • Fees & Taxes • Depreciation and Provisions • All other business expenditure which are not capital in nature 		

Lebanon

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Payroll Tax	from 2% to 25%	
	Social Security Contributions	3%	
	Interest Income	10%	
	Dividends Distribution	10%	
	Non Resident Tax/ Sale of Materials & Equipments	2,25%	
	Non Resident Tax/ Sale of Services	7,50%	

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	Quarterly	S1,S2,S3
	Due date for filing of returns for Withholding Taxes	Quarterly	R10,TH2,CH26

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	31st May	CH1
	Company Tax Audit	31st August	T/M

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	NO
Thin Capitalization	NO
Restructuring Transactions	YES
Special Territory Tax Regimes	NO

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns



Luxembourg

Financial Year / Period	BEGIN: 01/01/20XX	END: 31/12/20XX
		Tax rate (as from 01/01/2019)
Corporate Taxable Income Rates	Companies having annual taxable income up to EUR 175.000	15%
	Companies having annual taxable income between EUR 175.001 and EUR 200.000	Formula = 15% on income up to EUR 175K (EUR 26.250) + 31% on income from EUR 175 K to EUR 200 K.
	Companies having annual taxable income exceeding EUR 200.000	17%
Surcharges / Cess on Tax	SURCHARGE ON TAX	
	Contribution to unemployment fund (solidarity surtax)	7%
	Municipal business tax (depending on the municipality from 6.75 to 10.50%) - Luxembourg city	6,75%
	CESS ON TAX (Applicable on all)	
	Health & Education Cess	N/A
Net Operative Losses (Carrying forward Period)	Years	
	Business Loss	Depreciation Loss
	17 years (as from 01/01/2017). All prior tax losses up to 01/01/2017 are carried forward indefinitely	
Deductions from Business Income	Type / %	
	<ul style="list-style-type: none"> • Employee Benefit Expenditure • Depreciation and amortization • Bad Debts • Insurance Premium 	<ul style="list-style-type: none"> • Contribution to Social Security Schemes and which are business related are fully deductible. • All other business expenditure (as long as related to business strictly) which are not capital in nature.

Luxembourg

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Slab Rates and Classes	
	Interest	0%	
	Sale of property	Taxed as part of normal corporate income (less expenses)	
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	N/A	
	Dividends	15% (also exemption can apply under certain conditions)	
	Royalties / Technical Know how	0%	
	Resident Contractors and Professionals	N/A	

Withholding Tax Compliances		Date	Form No.
	Due date for filing and payment of Withholding Taxes on salaries	By 10th of each succeeding month	Form No. 950 FD
	Due date for filing and payment of Withholding Taxes on dividend	8 days after the payment of the dividend	Form No. 900

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	31st May	Form 500
	Company Tax Audit	N/A	
	Transfer Pricing Audit	Reviewed at least every 5 years	

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	N/A

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in paying tax advances

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Malaysia

Financial Year / Period	BEGIN: 01/01/2020	END: 31/12/2020			
Corporate Taxable Income Rates	Small and Medium Companies having taxable income up to RM600,000 in FY 2020 with certain conditions			Tax rate	17%
	Tax rate for Small and Medium companies with taxable income exceeding RM600,000 with certain conditions				24%
	Any other case - for Non Small and Medium Companies				24%
	Foreign Companies				24%
Surcharges / Cess on Tax	SURCHARGE ON TAX				
	For Income up to			N/A	
	For Income between			N/A	
	For Income Above			N/A	
	For Companies u/s 115BAA or 115BAB (i.e. For Domestic Companies or New Manufacturing Companies)			N/A	Irrespective of Total Income
	CESS ON TAX (Applicable on all)				
	Health & Education Cess			N/A	
Net Operative Losses (Carrying forward Period)	Years				
	Business Loss		Depreciation Loss		
	7 years				N/A
Deductions from Business Income	Type / %				
	<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and amortization Bad Debts related to sales 	<ul style="list-style-type: none"> Insurance Premium Contribution to Statutory funds / Social Security Schemes All other business expenditure which are not capital in nature 			

Malaysia

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	0-30%	
	Interest	15%	
	Sale of property	5 - 30%	
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	0-30%	
	Dividends	N/A	
	Royalties / Technical Know how	10%	
	Resident Contractors and Professionals	0-30%	

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	Within 30 days	Form 137
	Due date for filing of returns for Withholding Taxes	Within 30 days	

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	7 months from Year End	Form c
	Company Tax Audit	5 months from Year End	
	Transfer Pricing Audit	Yearly, 7 months from Year End	

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES



Malaysia

COVID Incentives by Government	Extension of one month for due dates for filing of Income Tax Returns
	Donations/contributions in cash/in-kind to fight against the Covid-19 outbreak are allowed as tax deductions.
	A tax deduction/capital allowance will be given for expenses incurred on disposable/non disposable personal protective equipment or other relevant equipment.
	Annual income tax rebate of up to RM20,000 for the first 3 Years of Assessments will be given to Small and Medium companies established and in operation between 1 July 2020 and 31 December 2021
	A tax deduction of up to RM300,000 will be given for expenses incurred on renovation and refurbishment of business premises from 1 March 2020 to 31 December 2021
	Companies are allowed to revise their tax estimates in the month of their 3rd installment payment, if the 3rd instalment payment falls in 2020
	Accelerated capital allowance will be given for qualifying capital expenditure incurred on machinery and equipment, including ICT equipment from 1 March 2020 to 31 December 2021 where the annual allowance will be increased to 40% (current rates range from 10% to 20%), with initial allowance of 20%
	Foreign companies that relocate their business operations into Malaysia and have made new investments in the manufacturing industry will be taxed at a rate of 0% for the following periods: a) 10 years for capital investments between RM300million to RM500 million b) 15 years for capital investment above RM500 million provided that the companies relocate and commence their operations within 1 year from the date of approval and the committed capital investment is made within 3 years. This is applicable to applications made from 1 July 2020 to 31 December 2021

The Netherlands

Financial Year / Period	BEGIN: 1 January	END: 31/12/2021		Tax rate
Corporate Taxable Income Rates	Profits up to EUR 245.000			15%
	Profits in excess of EUR 245.000			25%
Surcharges / Cess on Tax	SURCHARGE ON TAX		N.A.	
	CESS ON TAX (Applicable on all)		N.A.	
Net Operative Losses (Carrying forward Period)	Years			
	Business Loss		Depreciation Loss	
	6 Years; as from 1 January 2022 losses can be carried forward indefinitely		N/A	
Deductions from Business Income	Type / %			
	Employee Benefit Expenditure	Deductible		
	Depreciation and amortization	Deductible, for real property and intangibles specified depreciation terms apply		
	Bad Debts	Deductible, although creditors cannot deduct impairments on non-businesslike group loans		
	Insurance Premium	Deductible		
	Contribution to Statutory funds (up to specified limits) / Social Security Schemes	Deductible		
All other business expenditure which are not capital in nature	Deductible			

The Netherlands

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Salary	Wage withholding tax rates	Wage withholding tax is levied from the employer, but is borne by the employee
	Interest	0%	A 25% withholding tax rate applies on interest payments to countries on the Dutch and EU black list
	Sale of property	0%	Real estate transfer tax is due by the purchase of the property
	Rent (Plant & Machinery, Land & building, Rent paid by HUF)	0%	
	Dividends	15%	Reduced to 0% in case of distributions to corporate recipients in tax treaty jurisdictions
	Royalties / Technical Know how	0%	A 25% royalty withholding tax rate applies on payments to countries on the Dutch and EU black list
	Resident Contractors and Professionals	0%	

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	1month after distribution	Dividend withholding tax form
	Due date for filing of returns for Withholding Taxes	1 month after distribution	N.A.

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	30 June	CIT return form provided in tax compliance software
	Company Tax Audit	N.A.	Tax audits are rare and only take place at the initiative of the tax authorities
	Transfer Pricing Audit	N.A.	Transfer pricing audits are rare and only take place at the initiative of the tax authorities

The Netherlands

Others	Yes / No
Special Tax Regimes	YES, for innovative businesses and investment institutions
DTAA	YES
Group Taxations	YES, there is a tax group (fiscal unity) regime
Transfer Pricing Rules	YES, the Netherlands follows to OECD transfer pricing guidelines
Thin Capitalization	The Netherlands has implemented the earnings stripping provision (similar to thin capitalization) of ATAD 1
Restructuring Transactions	Various roll over facilities apply for business motivated group restructurings
Special Territory Tax Regimes	NO, except for the offshore industry

COVID Incentives by Government	Extension of due dates for payment of taxes
	Reduced tax interest
	Possibility to form a "corona reserve" in the 2019 CIT return

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Paraguay

Financial Year / Period	BEGIN: 01/01/2021	END: 31/12/2021	
			Tax rate
Corporate Taxable Income Rates	Companies having turnover up to PYG 2 Billion, from all types of economic activities		10%
	Dividend and profit to local entities		8%
Surcharges / Cess on Tax	SURCHARGE ON TAX		
	For Income up to INR 10 Million		n/a
	For Income between INR 10 million to INR 100 million		n/a
	For Income Above INR 100 Million		n/a
	For Companies u/s 115BAA or 115BAB (i.e. For Domestic Companies or New Manufacturing Companies)		n/a
	CESS ON TAX (Applicable on all)		
	Health & Education Cess		n/a
Net Operative Losses (Carrying forward Period)	Years		
	Business Loss	Depreciation Loss	
	5 Years	n/a	
Deductions from Business Income	Type		%
	Employee Benefit Expenditure		100%
	Depreciation and Amortization (in accordance with the regulations of years of useful life) / 100%		100%
	Bad Debts (in accordance with the criteria established in the tax regulations) / 100%		100%
	Insurance Premium / 100%		100%
	Contribution to Statutory funds-Social Security Schemes / 100%		100%
	Donations, owner's or direct owner's and managers' fees (up to specified limits of 1%)		1%
All other business expenditure which are not capital in nature			

Paraguay

Tax Deducted at Source / Withholding Taxes	Type	%	Remarks
	Interest, freights and Transfer of the use of containers	4,50%	
	Insurance, coinsurance or reinsurance premiums	4,50%	
	Sale of property, shares or quotas of companies	4,50%	
	Personal services, professional or otherwise	10,50%	
	Lease of real estate	7,50%	
	Royalties / Technical Know how	15%	
	Dividends	15%	
	Others	15%	

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes	7th of each succeeding month	122/725
	Due date for filing of returns for Withholding Taxes	7th of each succeeding month	122/725

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	according to the end of the taxpayer identifier number in the month of april	500
	Dividends	30th April	526
	Company Tax Audit	30th August	157
	Transfer Pricing Audit	Not yet regulated	Not yet regulated

Paraguay

Others	Yes / No
Special Tax Regimes	YES
DTAA	NO
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	NO
Restructuring Transactions	NO
Special Territory Tax Regimes	YES

COVID Incentives by Government	Fractioned payment of taxes, until 18th months.
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Portugal

Financial Year / Period	BEGIN: 01/01/2021	END: 31/12/2021	
			Tax rate
Corporate Taxable Income Rates	Resident and non-resident entities with a permanent establishment that carry out commercial, industrial or agricultural activity		21%
	Small or medium-sized companies for the first €25,000 of taxable income		17%
	Non-resident entities without a permanent establishment		25%
	Some specific income		35%
Surcharges on Tax	SURCHARGE ON TAX		
	Municipality surcharge (applicable to the taxable income)		up to 1,5%
	State Surcharge aplicable on the part of the taxable income between €1,500,000 and €7,500,000		3%
	State Surcharge applicable to the part of the taxable income between €7,500,000 and €35,000,00		5%
	State Surcharge applicable to the part of the taxable income exceeding €35,000,00		9%
Autonomous Tax Rates	Non-documented expenses		50%
	Charges with representation expenses		10%
	Charges with light passenger vehicles, some light goods vehicles and motorcycles depending on acquisition cost (excluding electric vehicles)		10%, 27,5% or 35%
	Charges with daily allowances and compensation for travel in the employee's own vehicle, not billed to customers, (if not taxed at IRS)		5%
	Other specific situations		35%
Tax Losses (Carrying forward Period)	The reporting period for tax losses generated in 2021 and 2020 is 12 years (The 2020 and 2021 tax periods do not count for the reporting period)		
	Tax losses generated after January 2017 can be reported for a period of 5 years (except for PME that can continue to do so for a period of 12 years)		
	Tax losses generated between January 2014 and December 2016 can be reported for a period of 12 years		
	The deduction of tax losses is limited to 70% of the taxable income		
Deductions from Business Income	<ul style="list-style-type: none"> • Employee Benefit Expenditure • Depreciation and amortization • Bad Debts • Insurance Premium • Contribution to Statutory funds (up to specified limits) / Social Security Schemes • All other business expenditure which are not capital in nature 		

Portugal

	Type	%
Tax Deducted at Source / Withholding Taxes	Salaries (dependent work)	salary tables
	Independent workers	25%/11% /20%
	Interest	25%
	Sale of property	0%
	Rent (Plant & Machinery, Land & building,)	25%
	Dividends	25%
	Royalties / Technical Know how	25%

Withholding Tax Compliances	As a general rule, withholding tax must be made at the time of payment or when the income is made available. Exception for interest (on the contractually established maturity date) and royalties (on the date of calculation of the value).
	Payment must be made by the 20th of the month following the month in which the withholding was made

Due Dates for Tax Returns		Date	Form No.
Returns	Corporate Tax Returns (exception in 2021 - 16th July)	30th May	Form 22
	Annual Tax declaration (IES) (exception in 2021 - 22 July)	15th July	
	Annual Tax Documentation File and Transfer Price File (exception in 2021 - 22 July)	15th July	

Others	Yes / No
Special Tax Regimes	YES
DTAA	YES
Group Taxations	YES
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	YES

COVID Incentives by Government	
	Extension of due dates in filing of Income Tax Returns
	Extension of due dates in filing of Withholding Tax returns

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Spain

Financial Year / Period	BEGIN: 01/01/20XX	END: 31/12/20XX	
Corporate Taxable Income Rates	General tax rate		Tax rate 25%
	Credit institutions and entities engaged in the exploitation, research and development of hydrocarbon deposits and underground storage facilities		30%
	Fiscally protected cooperatives		20%
	Newly incorporated companies, during first to years of profits		15%
	Profits of SOCIMI not distributed as dividends to the shareholders		15%
	Non-profit entities		10%
	Entities under the Economic and Tax regime of the Canary Islands		4%
	Investment companies and funds, bank asset funds, SICAV (Variable capital investment company) and mortgage market regulation funds		1%
SOCIMI (Listed Real Estate Investment Companies) and Pension Funds		0%	
Net Operative Losses (Carrying forward Period)	Years		
	Business Loss		Depreciation Loss
	18 Years		Depending on the asset
Deductions from Business Income	Type / %		
	<ul style="list-style-type: none"> Employee Benefit Expenditure Depreciation and amortization Bad Debts Insurance Premium 	<ul style="list-style-type: none"> Contribution to Statutory funds (up to specified limits) / Social Security Schemes All other business expenditure which are not capital in nature 	

Spain

	Type	%
Tax Deducted at Source / Withholding Taxes	Salary	Slab Rates
	Members of the board of directors and directors	35%
	Interest	19%
	Rental of real-estate properties not aimed for housing	19%
	Rental of movable assets, business or mines	19%
	Dividends	19%
	Royalties / Technical Know how	19%
	Royalties / Technical Know how when the licensor is not the author	15%
	Resident Contractors and Professionals	7% and 15%

Withholding Tax Compliances		Date	Form No.
	Due date for payment of Withholding Taxes and filling of returns in case of large companies (turnover over 6 million Euro)	By 20th of each succeeding month	Form 111
	Due date for payment of Withholding Taxes and filling of returns in case of ordinary companies (turnover under 6 million Euro)	Quarterly	Form 111

Due Dates for Tax Returns / Compulsory Audit		Date	Form No.
	Corporate Tax Returns	25th July	Form 200
	Company Tax Audit	One month after the formulation of the accounts	
	Annual Accounts	30th July	
	Transfer Pricing Audit	30th November	Form 232

Others	Yes / No	COVID Incentives by Government	Extension of due dates in filing of Income Tax Returns for tax year 2019
Special Tax Regimes	YES		Possibility to defer tax payments without interest
DTAA	YES		
Group Taxations	YES		
Transfer Pricing Rules	YES		
Thin Capitalization	YES		
Restructuring Transactions	YES		
Special Territory Tax Regimes	NO		

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Turkey

Financial Year / Period	BEGIN: 01/01/2021	END: 31/12/2021		Tax rate	
Corporate Taxable Income Rates	The corporate income tax rate is 25% for the year of 2021.			25%	Corporate Income Tax Code (Law Nr: 5520)
	Corporations are required to pay advance corporate income tax based on their quarterly profits at a rate of 25%. Advance corporate income taxes paid during the tax year are offset against the ultimate corporate income tax liability of the company, which is determined in the related year's corporate income tax return. The balance of advance tax can be refunded or used to offset other tax liabilities.			25%	Quarterly - by the 17th of the second month following the quarter end and is payable on the 17th of the same month.
Net Operative Losses (Carrying forward Period)	Business Loss		Years		
	5 Years		Depreciation Loss		
			5 Years		
Deductions from Business Income	Type/ %				
	The corporate income tax base is calculated by adjusting the commercial profit with deductions and non-deductible expenses.				
Tax Deducted at Source / Withholding Taxes	Type	%	Remarks		
	Salary	15%- 40%	Income Tax Code - in article 103		
	Interest	%0, %15	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)		
	Payments to construction work spanning more than one year	3%	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)		
	Payments for rents	20%	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)		
	Dividends	15%	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)		
	Royalties / Technical Know how	20%	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)		
	Payments to limited liability taxpayers for copyrights and similar rights.	20%	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)		
	Copyrights and similar rights	17%	Income Tax Code (Law Nr:193) - in article 18		
Self employed persons payments	20%	Income Tax Code (Law Nr: 193) & Corporate Income Tax Code (Law Nr: 5520)			

Turkey

Withholding Tax		Date	Form No.
Compliances	Due date for payment of Withholding Taxes	Monthly - Quarterly (by the 26th of the following month and paid on 26th of the same month.	Withholding statement

Due Dates for Tax		Date	Form No.
Returns / Compulsory Audit	Corporate Tax Returns (if any)	30th April	Corporate Tax Declaration
	Company Tax Audit (if any, can always be made)	30th April	Corporate Tax Declaration
	Transfer Pricing Audit (if any)	30th April	Corporate Tax Declaration

Others	Yes / No
Special Tax Regimes	NO
DTAA	YES
Group Taxations	NO
Transfer Pricing Rules	YES
Thin Capitalization	YES
Restructuring Transactions	YES
Special Territory Tax Regimes	NO

COVID Incentives by Government	
	Extension of due dates in filing of Tax Statements
	Extension of due dates in filing of others (e.g : social Security Premium)
	Reduction in Withholding Rates



United Kingdom

		Tax rate
Corporate Taxable Income Rates	Current Corporation Tax rate	19%
	From 1 April 2023, companies with profits above £250,000	25%
	From 1 April 2023, companies with profits between £50,000 and £250,000	19-25%
	From 1 April 2023, companies with profits less than £50,000	19%
	Current Diverted Profit Tax ("DPT")	25%
	DPT from 1 April 2023	31%
	Patent box regime	10%
Deductions from profit	Capital allowances	
	"Super deduction" - On certain qualifying plant and machinery	130%
	First Year Allowance ("FYA") - On certain plant, machinery and cars of 0g/km	100%
	Corporation Tax FYA -On long-life assets and integral; features of buildings	50%
	Writing Down Allowance - Long-life assets, integral features and cars over 50g/km	6%
	Writing Down Allowance - Other plant and machinery	18%
	Structures and Buildings Allowance	3%
	Research and Development ("R&D")	
	R&D SME scheme - Additional enhanced deduction on qualifying R&D expenditure	+130%
	R&D SME scheme - Tax credit on lower of unrelieved losses and enhanced R&D expenditure. Restrictions apply	14,5%
	R&D Expenditure Credit scheme - Credit on qualifying R&D expenditure	13%
	Other non-deductible expenditure	
	Client entertaining	
	Depreciation	
	General provisions - e.g. bad debts, stock etc	
	Accrued pension contributions (allowed on a cash basis)	
Expenditure which is capital in nature		

United Kingdom

Due Dates for Corporate Tax payments		Date	Form No.
	Non-large companies - Profits less than £1.5m	9 months 1 day following end of accounting period	
	Large companies - Profits over £1.5 million but less than £20 million	"Quarterly instalment payments ("QIP"). 1st QIP - 6 months and 13 days after the first day of the accounting period and the rest 3 months after each"	
	Very large companies - Profit over £20 million	1st QIP -2 months and 13 days after the first day of the accounting period and the rest 3 months after each	

Due Dates for Tax Returns		Date	Form No.
	Corporate Tax Returns	12 months following end of the accounting period	CT600
	Withholding tax returns	Due 14th day following a calendar quarter	CT61

Others	Yes / No
Double Tax Treaties	NO
Group Taxations	YES
Transfer Pricing Rules	YES
Interest Restriction	YES
Controlled Foreign Company rules	YES

COVID Incentives by Government	
	Temporary extension for the period of carry back of losses against profits of earlier years extended to 3 years. For companies with accounting periods ending in the period 1 April 2020 to 31 March 2021
	Coronavirus loan schemes for UK businesses
	Coronavirus Job Retention Scheme



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