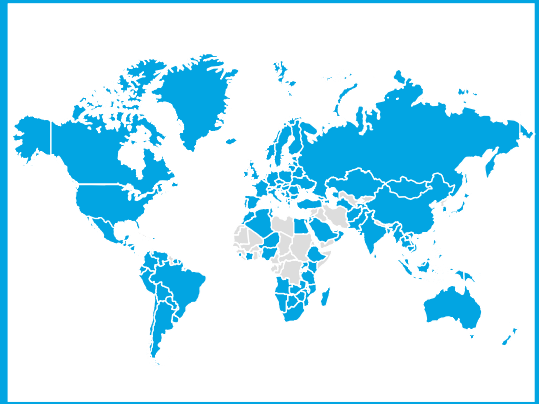


INPATRIATES

Egypt

Tax facts for international assignees



INCOME TAX: WHO IS LIABLE

The foreign national becomes an Egyptian resident if the national stays in Egypt for a period exceeding 183 days in a 12 months period.

The non-resident employee is subject to salary tax as the same treatment for residents, unless the non-resident employee is a resident of a country that has a double tax treaty with Egypt. In that case, the double tax treaty provisions will prevail.

A foreign national who becomes an Egyptian resident is taxed on his/her income recognized in Egypt.

An individual who receives his/her income from an Egyptian Employer/charged to Egyptian entity.

REGISTRATION/FORMALITIES

An Egyptian Visa must be applied for before the individual enters Egypt. The type of visa required will differ depending on the purpose of the individual's entry in Egypt. Employees are required to obtain Work Permits in order to start working in Egypt.

INCOME TAX RATES

A new amendment to the income tax law had been issued in May 2020, which introduced a complete change to the way salary taxes are to be calculated to the various brackets of gross salary/income, effective 1 July 2020.

The taxes rate is a progressive rate from 0 to 25% depending on the taxable income.

Salary Tax Rates as of July 2020:

	Net taxable income Less than EGP 600,000 per year	Net taxable income between EGP 600,000 to EGP 700,000 per year	Net taxable income between EGP 700,000 to EGP 800,000 per year	Net taxable income between EGP 800,000 to EGP 900,000 per year	Net taxable income between EGP 900,000 to EGP 1,000,000 per year	Net taxable income more than 1,000,000 per year
Zero %	From L.E. 1 to L.E. 15,000					
2.5%	L.E. 15,000 to L.E. 30,000	L.E. 1 to L.E. 30,000				
10%	L.E. 30,000 to L.E. 45,000	L.E. 30,000 to L.E. 45,000	L.E. 1 to L.E. 45,000			
15%	L.E. 45,000 to L.E. 60,000	L.E. 45,000 to L.E. 60,000	L.E. 45,000 to L.E. 60,000	L.E. 1 to L.E. 60,000		
20%	L.E. 60,000 to L.E. 200,000	L.E. 60,000 to L.E. 200,000	L.E. 60,000 to L.E. 200,000	L.E. 60,000 to L.E. 200,000	L.E. 1 to L.E. 200,000	
22.5%	L.E. 200,000 to L.E. 400,000	L.E. 200,000 to L.E. 400,000	L.E. 200,000 to L.E. 400,000	L.E. 200,000 to L.E. 400,000	L.E. 200,000 to L.E. 400,000	L.E. 1 to L.E. 400,000
25%	Over L.E. 400,000	Over L.E. 400,000	Over L.E. 400,000	Over L.E. 400,000	Over L.E. 400,000	Over L.E. 400,000

SOCIAL INSURANCE

Social insurance applies to Egyptian nationals in full-time employment, unless a social security agreement/treaty provides otherwise. Employees pay a portion of their wages through employer withholding, in addition to another portion borne by the employer.

Amount	Employer %	Employee %
Insured salary (the maximum limit of the salary subject to social insurance is L.E. 7,000 per month, and the minimum limit of the salary subject to social insurance is L.E. 1,000 per month). (*)	18.75	11

For further information and to register for future updates contact expat@bdo.global

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