

# PAYING TAXES IN LEBANON





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This section addresses the taxes and mandatory contributions that medium-sized domestic companies in Lebanon must pay in a given year, as well as measures of the administrative burden of paying taxes and contributions.

The data appearing on this page was collected as part of the Doing Business project. The most recent round of data collection for the project was completed in June 2009.

The table below shows the main indicators for paying taxes. They are:

- The total number of payments per year;
- The time it takes to prepare, file, and pay (or withhold) the corporate income tax, the value added tax and social security contributions (in hours per year); and
- The total tax rate, which measures the amount of taxes and mandatory contributions payable by the business in the second year of operation, expressed as a share of commercial profits.

<b>Tax or mandatory contribution</b>	<b>Payments (number)</b>	<b>Notes on Payments</b>	<b>Time (hours)</b>	<b>Statutory tax rate</b>	<b>Tax base</b>	<b>Total tax rate (% profit)</b>	<b>Notes on TTR</b>
Social security contributions	12		100	21.5%	gross salaries	24.1	
Corporate income tax	1		40	15.0%	taxable profits	5.6	
Capital gains tax	0		-	10.0%	capital gains	0.5	
Tax on interest	0		-	5.0%	interest income	0.1	included in other taxes
Value added tax (VAT)	4		40	10.0%	value added		not included
Stamp duty	1		-	0.3%	contract value		small amount
Vehicle tax	1		-	various rates			small amount
<b>Totals:</b>	<b>19</b>		<b>180</b>			<b>30.2</b>	

*Notes:*

Name of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.