



## Budget 2022

### Dated November, 15 2022

#### Brief for BPT & Stamp Duty

#### **Fiscal Stamp:**

**Article No.# 46:** Changes in the value of stamps that can be affixed.

The Stamp duty fee can be paid by affixing the stamp on the deed or contract in condition of the value of stamps not exceed 500,000 LBP. Otherwise, it must be paid via printing machines or by cash or banker's check at public notary or directly at Ministry of Finance.

Later on, an E-Stamp will be published and can be used after issuing a decision from the Minister.

**Article No.# 49:** Deadline for declaring the fixed stamp duty

Taxpayers liable to issue invoices, receipts, debit and credit notes should settle the related fixed stamp duty on a monthly basis and should submit electronic returns within 15 days from the end of each month based on a format that would be issued by the tax authorities.

This article must be applied starting the 1st quarter that follows the quarter in which this Law is published.

**Article No.# 50:** Stamp Duty exemption

Entities and companies that are newly incorporated or for which the lifetime was extended in the commercial or civil register after the date of publication of this Law and for a period of 3 years are exempt from fixed stamp duty fees due on the establishment license and from proportional stamp duty fees due on the capital and issued shares.

**Article No.# 51:** Stamp duty penalties exemption

Entities and companies that are registered in the commercial and civil register are exempt from stamp duty penalties that result due to the non-renewal of their lifetime under the condition that the stamp duty is settled by or before 31 December 2022

**Article No.# 52: Changes in some duty fees on some documents.**

|   | <b>LBP</b> |
|---|------------|
| Every summary of criminal record handed to an individual  | 10,000     |
| Every payment receipt given by the State, public institutions, and municipalities.  | 5,000      |
| Every invoice issued by the Ministry of Communications to subscribers of Telephone and Internet services  | 5,000      |
| Every receipt indicating a discharge, receipt, arrival, or deposit  | 1,000      |
| Every statement, information about a transaction in an account and every account summary sent by the banks or financial, commercial, or industrial institutions to customers or agents; or among the banks themselves | 1,000      |
| Every receipt, paper or invoice evidencing the receipt or deposit of money, commercial securities, warrants, merchandise, or other movables.  | 1,000      |
| Every collection receipt issued to subscribers by cell phone institutions or electronic telecommunications companies (Internet)   | 5,000      |
| Every invoice or prepaid card issued by the same institutions and companies mentioned above.  | 1,000      |
| Unpaid invoice  | 1,000      |
| Papers that are not mentioned in this Law when they are subject to a stamp duty in accordance with the general principles of this law and when they are not subject to a proportional stamp duty fee                  | 1,000      |

## **Build Property Tax**

### **Article No. # 60:** The estimated rental income

The estimated rental income can be determined as follows:

- Based on the agreed rental fees mentioned in the rent contract under the condition that it should not be less than 70% of the amount estimated in accordance with “3” below
- If there was no lease contract, the estimated rental income is determined based on similar properties with similar rental conditions.
- If the comparison is not possible; the estimation amount should be determined following certain mechanisms (space, area, specifications, and other) on condition that the minimum rental income would be 2.5% of the property value.

### **Article No.# 61:** Build Property tax calculation (1)

The built property tax is calculated on the base of net return after deducting the specific exemption and tax should be divided over all the property’s sections starting from the beginning of the year during which the sort of property took place.

### **Article No.# 62:** Build Property tax calculation (2)

Starting 2022, the residency exemption will be 40 million that should be deducted from NET Taxable Return for each residency owned by person.

Taxpayer can benefit from the exemption up to two residencies (that have the highest rental value)

**Articles No.# 63:** New Brackets for BPT (Net income per property)

| Net Annual Taxable Income |             | Tax Rate |
|---------------------------|-------------|----------|
| Above                     | to          |          |
| -                         | 120,000,000 | 4%       |
| 120,000,000               | 240,000,000 | 6%       |
| 240,000,000               | 360,000,000 | 8%       |
| 360,000,000               | 600,000,000 | 11%      |
| 600,000,000               | and Above   | 14%      |

Shall be effective starting 2022



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