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Finance Minister Dr. Ghazi Wazni issued a circular related to the income derived from foreign movable capital acquired by natural and legal persons residing in Lebanon.

The circular stated the following:

“Whereas, Article 82 of the Income Tax Law compels natural and legal persons residing in Lebanon and acquiring income from any foreign movable capital, to declare these revenues prior to the first of March of each year and pay the relevant due tax before the first of April of each year, when they transfer such income abroad, or obtain them abroad, either directly or through an intermediary,

Whereas the failure of taxpayers to comply with these obligations falls within the scope of tax evasion stipulated in Article 1 of the Tax Procedures Code and constitutes a criminal financial violation,

Whereas, Article 106 of the Tax Procedures Code stipulates that criminal financial violations shall be prosecuted in accordance with the provisions of Legislative Decree No. 156 of 16/09/1983 and its amendments, and that relevant penalties shall be imposed by the courts upon the request of the Ministry of Finance without prior notification of the taxpayer,

Therefore, the Ministry of Finance warns concerned taxpayers that they need to abide by their abovementioned obligations, in order to avoid being subject to the fines stipulated in the Tax Procedures Code, and to being partially prosecuted before the competent courts.”