

**Republic of Lebanon**  
**Ministry of Finance**

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**The Minister**  
**4415/ S1**

**December 1, 2015**

**Circular**

**Related to the returns generated by foreign shares and bonds**  
**As stipulated in Chapter 5 of the Income Tax Law**

Whereas the returns on the foreign shares, bonds, and securities, whether private or public, owned by natural or nominal persons residing in Lebanon, whether foreigners or Lebanese, are subject to the income tax originating in the returns of movable capitals as stipulated in Chapter 5 of Title III of the Income Tax Law,

And whereas Article 81 of the Income Tax Law stipulates that the persons whose income is taxable must settle the due tax amounts during the month of July for the first half of the fiscal year, and during the month of January for the second half of the fiscal year,

And whereas Article 82 of the Income Tax Law stipulates that the holders of foreign shares and bonds or those benefiting from their returns and profits residing in Lebanon shall have to submit, before the first of March of each fiscal year, a statement in which they mention the total amount of the profits, interests, revenues and income generated by these for the preceding year, even if they transferred the said profits, interest, revenue to other countries or were paid abroad, directly or through an intermediate. And whereas Article 82 of the same Law stipulates that the said due tax amount shall be settled before April 1<sup>st</sup> of each fiscal year,

Hence,

The Ministry of finance draws the attention of the concerned taxpayers, whether those taxpayers who shall deduct the tax and settle it to the treasury pursuant to the provisions of the aforesaid Article 81, or those who shall personally submit a tax statement and settle it to the treasury pursuant to the provisions of the aforesaid Article 82, to the necessity of abiding by the stipulations mentioned above in view of avoiding the fines stipulated in the Law on Tax Procedures. In addition, the Ministry of finance draws the attention of the banks, financial institutions, and financial intermediation institutions to the necessity of notifying their clients, whether natural or nominal persons, of their obligations, knowing that the Tax Administration shall proceed to taking all required measures against those who fail to abide by the law.

To be published:

- In the official gazette
- On the website of the Ministry of Finance

To be notified:

- The Banque du Liban
- The Lebanese Banking Association
- The Association of Financial Institutions operating in Lebanon

**The Minister of Finance**  
*(Duly signed & stamped)*  
**Ali Hassan Khalil**