IDAL
INVEST IN LEBANON

CHOOSE YOUR **BUSINESS STRUCTURE**

HOLDING COMPANY

BSU BUSINESS SUPPORT UNIT

CHOOSE

HOLDING COMPANY

A Holding Company is a special type of joint stock Company (Decree Law No 45 of June 24, 1983, amended by Law no. 772 of September 11, 2006) that has tax and other benefits. Its object is strictly limited to the following:

1. Acquiring and subscribing to shares or social parts in Lebanese or foreign joint stock or limited liability companies,
2. Managing companies in which it holds shares or social parts,
3. Lending money to or guaranteeing companies in which it holds a minimum of 20% of the shares or social parts forming their capital. it may for such purpose borrow from banks and issue bonds, provided that the total value of issued bonds does not exceed five times its capital and reserves,
4. Acquiring and leasing patents, concessions and trademarks,
5. Acquiring moveable or real estate assets that are necessary for its operations.

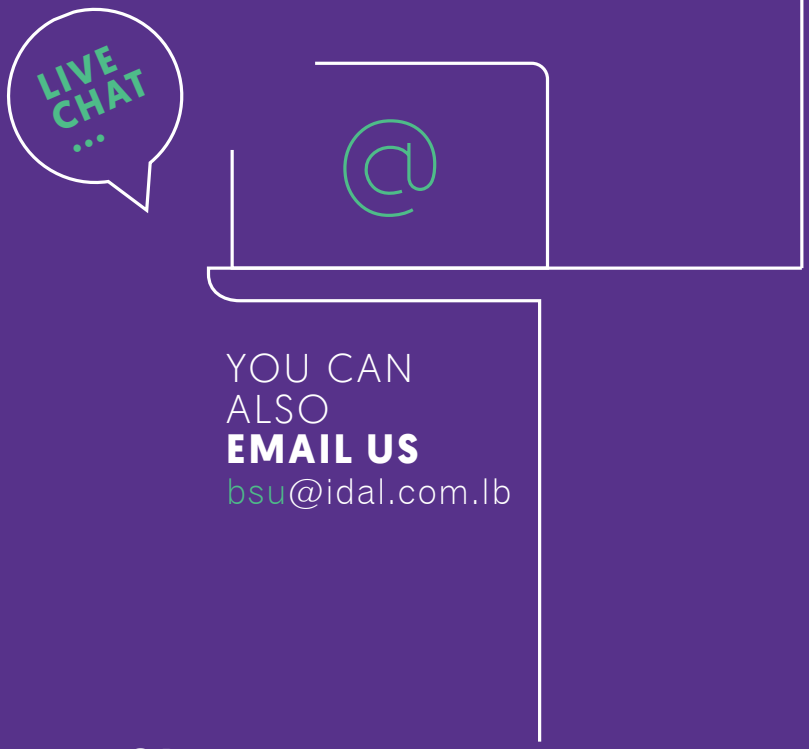
The holding company has the same characteristics than the one of a joint stock company, with the following exceptions:

- The Board of Directors can be entirely constituted of non-Lebanese persons.
- Chairman is exempted from work permit requirements, if he is a non-Lebanese person.
- The capital can be denominated in foreign currency.
- The company's name must always be followed by 'Holding S.A.L'.
- Tax benefits:
  - Flat annual tax: depending on the company's capital and reserves (not exceeding LBP 5,000,000).
  - Exemption from income tax and tax on dividends distribution
- Exemption from a court appointed auditor.

Source: IDAL/MoET

CONTACT US

THROUGH OUR **BSU COODINATOR**



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