



**IDAL**

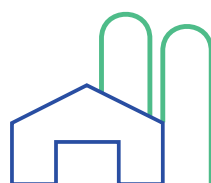
INVEST IN LEBANON

# FINANCING **YOUR BUSINESS**

**FISCAL INCENTIVES  
& CROWDFUNDING**

**BSU** BUSINESS  
SUPPORT  
UNIT

# FISCAL INCENTIVES



SCHEMES

## I- IDAL EXEMPTIONS & INCENTIVE SCHEMES

IDAL offers ICT and tech companies with fiscal exemptions which can go up to 100% exemptions on corporate income tax for a period of 10 years if certain criteria of investments are met.

### 1. INVESTMENT PROJECT BY ZONE (IPZ) SCHEME:

It is a scheme based on the project's geographical location, investment size and sector type. It provides investors in the IT sector with fiscal related incentives and work permits. This scheme divides Lebanon into three geographical zones (Zone A, Zone B, Zone C).

All ICT projects located in Zone A , B and C can get a 100% exemptions on their corporate income tax for 10 years if a minimum of 200,000 USD of capital investment is made.

### 2. PACKAGE DEAL CONTRACT (PDC) SCHEME:

It is a scheme based on the project's investment size, number of jobs created, and sector type. It provides investors with fiscal and labor related incentives as well as set-up fees reductions. Under this scheme, an investors which ensures 400,000 USD of capital investments and employs 25 people can benefit from a 100% exemption of corporate income tax for up to 10 years.

For more information on IDAL's exemptions and incentive schemes, please read our Information Technology Investment Incentives booklet.

## II. INCENTIVES PROVIDED BY OTHER ENTITIES

### 1. INCENTIVES FOR THE INDUSTRIAL SECTOR (INCLUDING AGRO FOOD COMPANIES)

- Industrial companies are eligible for a 50% exemption on tariff duties at export.
- Machinery, equipment, spare parts and building material imported for the setting up of new industrial firms, are subject to only 2 per cent custom duties.
- Custom duties exemptions are applied to the following items:
  - Raw materials
  - Semi-manufactured goods (total of over 2000 products)
- In Industrial zones: 75% of a company's tax liabilities may be exempted. In order to take advantage of this regulation, investments should consist of capital expenditures designed to increase the company's staff and other employees.
- In Specific Industrial Zones (in Zahle, Jbeil and Nabatiyeh): Companies are exempt from corporate income tax for a duration of 10 years (Decree 11991).

### 2. INCENTIVES FOR THE AGRICULTURE SECTOR

- Farms (provided they do not display farm products in sales outlets or sell products after processing) are exempt from income tax.
- Equipment and raw materials imported for the agricultural sector are subject to only 2 percent customs duty.
- Wages of agricultural labor are exempt from payroll taxes.
- Agricultural products are exempt from VAT.

### 3. INCENTIVES FOR THE TOURISM SECTOR

- Imported hotel equipment is exempt from certain duties provided that the operating period is for at least 10 years.
- Imported buses for tourism agencies are also exempt from customs duties.
- Touristic establishments classified as artisanal are exempt from corporate income tax.

For more information on these exemptions please refer to the Ministry of Finance website on [www.finance.gov.lb](http://www.finance.gov.lb)

# CROWD FUNDING



## ZOOMAL

Is a crowdfunding platform that supports innovative projects in the Arab world.

To submit your project and for more information about Zoomal please refer to [www.zoomaal.com](http://www.zoomaal.com)



# CONTACT US



THROUGH  
OUR **BSU**  
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