



VAT guidelines for digital services provided by non-resident businesses were published by the Egyptian Tax Authority and came into effect on June 22, 2023.

VAT Standard rate

VAT standard rate in Egypt in 2024 is 14%, which is applicable to e-services provided by non-resident businesses to the customers from Egypt via websites, social media stores, applications etc, with some exemptions like educational services, e-books subscription and job seeker ads.

The rate of 10% applies to the professional consultancy services, such as legal services, accounting and marketing. Export of services in Egypt is zero-rated.

VAT registration threshold

VAT registration threshold in Egypt is EGP 500,000 (approx. EUR 15,000). Businesses have to register for VAT in Egypt if their revenue exceeded this amount in the previous 12 months.

Businesses, which provide consultancy services must register for VAT purposes regardless their income amount.

If a seller provides B2C distance sales services through the online marketplace like Amazon, eBay, Shopify, the marketplace is deemed for VAT purposes as a service provided to an unregistered taxpayer in accordance with the tax legislation. The online marketplace is accordingly obliged to collect and account for VAT. Non-resident online marketplaces must use a simplified seller registration procedure.

Pieces of evidence

VAT is payable at the place of supply. The time of supply is the earliest event among the following: at the moment the service occurs, at the moment of billing, or at the moment the price is paid (in whole or in part).

There are specific rules for invoices, each one must contain the following information:

- Service name;
- Amount of the service supplied;
- VAT rate;
- VAT amount;
- Name and VAT registration number of the supplier;
- Date and number of the invoice;
- Name, phone, customer email (for advertisement services only).

The nonresident seller is required to ascertain the domicile of the recipient using a minimum of two non-conflicting pieces of information, including but not limited to:

- Residential address,
- Billing address,
- Credit card BIN (Bank Identification Number) or bank account details,
- Telephone number,
- IP address,
- Geographical location of the landline phone used for service provision.

E-services list

- Digital content (downloads of video, music, apps, games, e-books);
- Software services (anti-virus software etc.);
- Website development or publishing services;
- Licensing of content;
- Subscription-based content (online gaming, music, video streaming, online newspaper).

Registration procedure

Non-resident digital providers that have exceeded registration threshold in Egypt, must register under a simplified vendor registration regime within 30 days of the

month following the month in which the VAT obligations in Egypt have occurred. The main action is account creation on the website of Egyptian Tax Authority.

There the following information has to be provided:

- Country of tax residence;
- National TIN;
- Business address;
- Name of the person who is responsible to contact with Egyptian Tax Office;
- Telephone number and email of contact person;
- Website`s URL.

Non-resident digital service providers are not obligated to have a fiscal representative in Egypt.

Keeping records

The period of keeping records in Dominicana must be at least five years.

VAT returns filing and payment date

Simplified electronic VAT returns in Egypt are submitted on monthly basis. The deadline for filing and payment is the last day of the month following the reporting period.