

The background of the entire page is a photograph of a man and a woman in business attire. The man, on the left, has dark hair and a beard, and is wearing a dark suit over a light blue shirt. He is pointing with his right index finger at a document held by the woman. The woman, on the right, has blonde hair tied back and is wearing a dark blazer over a light blue shirt. She is looking down at the document. They are standing in front of a large window that reflects a cityscape. The bottom right corner of the page has a dark grey diagonal overlay.

Qatar TAX UPDATE

MAY 2025

Cabinet holds weekly meeting






HE Prime Minister and Minister of Foreign Affairs Sheikh Mohammed bin Abdulrahman bin Jassim Al-Thani chaired the Cabinet's regular meeting on Wednesday 21 May at the Amiri Diwan.

The Cabinet praised the outcomes of HH the Amir Sheikh Tamim bin Hamad Al-Thani's official talks with President Donald Trump during his visit to Qatar (14-15 May), highlighting the visit as a milestone in strengthening Qatar-US strategic relations, cooperation and investment partnerships. The Cabinet affirmed that this historic visit, along with the extensive discussions and agreements, memoranda of understanding and joint declarations signed between the two governments, marks a significant milestone in the strong strategic partnership between Qatar and the United States. These developments further enhance the robust investment cooperation between the two nations and provide fresh momentum for constructive collaboration across multiple sectors - serving the mutual interests of both countries and promoting regional and global peace, security and stability.

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The Cabinet also welcomed the results of the 34th Arab League Summit held on 17 May in Baghdad, expressing hope that its outcomes would enhance Arab unity and joint action, especially in light of the humanitarian crisis in Gaza. It called for an immediate ceasefire and urgent delivery of aid. Expressing its hopes for strengthened Arab unity and cooperation, the Cabinet underscored the importance of the summit's outcomes, particularly amid ongoing challenges facing the Arab world - especially the suffering of the Palestinian people in Gaza, including acts of violence, starvation, siege and displacement plans. The Cabinet emphasised the urgent need for an immediate ceasefire in Gaza and the swift provision of humanitarian aid.

In its session, the Cabinet approved:

-  A draft law amending provisions of the Anti-Money Laundering and Terrorism Financing Law (Law No. 20 of 2019) and referred it to the Shura Council
-  A draft decision amending its executive regulations
-  A draft decision by the Minister of Labour to reduce fees related to work permits and services to ease private sector costs
-  A draft decision related to the tax benefits of capital gains resulting from internal group restructurings. Proposed by the General Tax Authority, this measure aligns with international best practices and supports economic and social development
-  A draft air services agreement with the Government of Honduras.

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The Cabinet also reviewed the Shura Council's proposals on domestic workers' exit procedures and took appropriate action.

The approved draft resolution granting tax relief on capital gains arising from the restructuring of companies within the same corporate group is a strategic move designed to ease internal restructuring processes without triggering capital gains tax liabilities, thereby encouraging companies to list on the local stock exchange.

The types of transactions eligible for this tax benefit include:

1. Disposal of assets during a restructuring aimed at contributing to the capital of a resident holding company
2. Disposal of assets carried out as part of a domestic merger or demerger
3. Disposal of assets linked to restructuring efforts intended to support listing on the national financial market
4. Asset swaps conducted within the scope of internal restructuring among resident companies
5. Asset revaluations made in preparation for in-kind contributions to locally based companies

The resolution outlines the specific requirements and conditions that must be met to qualify for the tax advantage.



If you would like further information or advice on this topic,
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You will also find additional information on our web site: www.bdo.com.qa

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