



Official Gazette of Iraq

Instructions of Imposing and collecting Tax of Sales

No. (5) Of 2015

تعليمات فرض وجباية ضريبة المبيعات

Translated in
Ministry Of Justice
Iraqi Gazette Office
Translation department
2019



Instructions

In accordance with the provisions of Para (a) of article (33) of federal budget law for Republic of Iraq for the financial year 2015;

We issued the following instructions:

No. (5) Of 2015 **Instructions of Imposing and collecting tax of sales**

Article 1

For the purposes of these instructions, the following phrases shall have the meanings indicated opposite them:

First: Sales tax: A tax imposing on mobile services, the internet, buying cars, tickets, cigars and alcohol drinks.

Second: Taxpayer: The natural or legal personality charged with paying the tax for the purpose of these instructions and he/ she is responsible for getting and paying to the General Body for the Taxes.

Third: Mobile service: Every service in the field of communications is provided through the mobile phone network.

Fourth: Internet service: Every service in the field of communications provided through internet network.

Fifth: Amount subjected to the tax: The total amount accrued to the taxpayer for providing the mobile services or internet whether they paid in advance or later.

Sixth: Travel tickets: Air travel got inside or outside Iraq for the benefit of Iraqi Airways and other national carriers, whether they are used for internal or external travel.

Seventh: Cigars and alcoholic drinks: Tobacco products in all its kinds, in addition to the alcoholic drinks, regardless their local or foreign products.

Eighth: Car Purchase: Importing all kinds of cars.



Instructions

Ninth: National carriers: Each one carries a certification of Iraqi aerial investment (AOC).

Article 2

(20%) twenty per cent of the price of the card or later payment service (bill) tax shall be imposed on mobile or internet service presented in Iraq from the taxpayer to the consumer and the service consider presented in Iraq if the necessary facilities are present inside or outside Iraq.

Article 3

First: The taxpayer shall add the tax amount to the price of the mobile phone and Internet service paid in advance or later and show it to the consumer.

Second: The amount of the tax shall be paid by the consumer every (3) three months accompanied by a certificated report by the competent accountant shows his/ her activities in accordance with the form prepared by the General Body for Taxes for this purpose during the first part of the month following the (3) three month signed by him/ her or his/ her legal representative.

Article 4

First: A sales tax will be imposed on the import of cars at a rate of (15%) fifteen percent of the value of the goods listed on the customs declaration, provided that it is collected from the tax units at all border crossings as final revenue for the benefit of the General Tax Authority.

Second: (15%) fifteen per cent of selling tax shall be impose on mid-air travel ticket inside and outside Iraq, this tax shall be collected by the Iraqi airways, other national carriers and travelling and touring offices, each buyer shall present a report of his/ her activity each (3) three months certificated by specialized accountant in accordance with a form prepared by General Body for Taxes for this reason during the first part of the month following the (3) three months signed by him/ her legal representative.



Instructions

Third:

- a. (300%) three hundred percent selling tax shall be imposed on the import of the cigarettes and their products in all kinds and alcohols from the value of the goods that installed on the customs license, provided that they shall be collected from taxes units at all border crossing points recognized as final income for the General Body of Taxes.
- b. If the product is local, the producer shall collect the tax amount and present it to the General Body of Taxes every (3) three months accompanied in finance report certificated by specialized accountant showing his/ her activity in accordance with the form prepared by the General Body of Taxes for this matter through the first half of the month following the end of the three month period signed by him/ her or his/ her legal representative.

Article 5

These instructions shall be implemented from the date of its publication in the Official Gazette.

Hoshyar Zebari

Minister of Finance