



# Official Gazette of Iraq

Al-Waqai' Al-Iraqiyya

الوقائع العراقية

وهقايعى عىراقى

## الجريدة الرسمية لجمهورية العراق

رؤژنامهى فهرمى كؤمارى عىراق



### تصدر عن وزارة العدل

وهزارهتى داد دهرى دهكات

Legislation

No. 1

## Municipal Revenue Law

No. (1) of 2023

قانون وارحايه البلديات

Translated in

Ministry Of Justice

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## Laws

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### In the name of people

### Presidency of The Republic

Based on what had been approved by the Parliament in accordance with the provisions of Item (First) of Article (61) of the Constitution, and for the passage stipulated in Item (Third) of Article (73) of the constitution, the following Law was issued:

**NO.(1) OF 2023**

**MUNICIPAL REVENUE LAW**

### **ARTICLE 1**

Municipal revenue shall be consisted of:

First: what is allocated to it within the annual general budget of the state.

Second: Fees stipulated in the table attached this Law.

Third: Revenues obtained by municipalities in accordance with the laws in force.

Fourth: Fines imposed for municipal offences in accordance with the law.

Fifth: Revenues received from the allowance of sale, use and investment of municipal property and their services and projects .

Sixth: Borrowing and fixed credits.



## Laws

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Seventh: Grants and donations provided to it by Iraqi or foreign bodies in accordance with the law.

### ARTICLE 2

First: The fees stipulated in the table attached to this law shall be imposed and allocated to the municipalities within their respective regions and collected from the municipality's employees directly or in other ways determined by them, except for lottery fees, betting, cigarettes, tobacco, sulphur (matches), soft and refreshing drinks of all kinds, they shall be collected from the authorities entrusted with this and their proceeds shall be paid to the Ministry of Construction, Housing and Municipalities and Municipality of Baghdad in accordance of the belonging.

Second: Companies, factories and producers of soft and refreshing drinks and factories that manufacture sulphur (matches) shall pay the fees incurred at the end of each month to the Ministry of Construction, Housing and Municipalities with regard to public municipalities in the governorates and Municipality of Baghdad with regard to public municipalities in the capital.

Third:

- a. The entities through which the announcement is made or the exploitation of their facilities, land or means of transport in any way whatsoever shall collect the amount of fees on their legal dates and deposit it to the Ministry of Construction and Housing and Municipalities and Municipality of Baghdad in accordance with the belonging.
- b. The advertisement provided for in Paragraph (a) of this Item shall mean to draw attention to a person or company practicing a craft, profession or industry, or to goods or materials offered for sale or rent, trade fairs or shops providing services of all kinds, including consulting services, as well as the promotion of commercial works or works of film,



## Laws

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theatre and television productions and works of art in general, in the manner of writing, drawings, engraving, or sound, visual or artistic expression.

### ARTICLE 3

First: The following bodies shall be exempted from paying the fees incurred on them in accordance with the table attached to this law:

- a. Places of worship.
- b. Diplomatic and consular bodies accredited to Iraq, subject to the principle of retroactivity.

Second: The Council of Ministers, upon the proposal of the Minister of Construction, Housing and Municipalities or the Mayor of Baghdad, may exempt the following bodies from the fees stipulated in the table attached to this law, in whole or in part:

- a. Organizations and associations that practice humanitarian activity with the approval of the federal government, whether Iraqi or foreign.
- b. Iraqi scientific and cultural organizations and associations.

### ARTICLE 4

First: The Minister of Construction, Housing, and Municipalities and the Mayor of Baghdad may decide to write off or reduce the amounts realized from the revenues stipulated in Items (Third) and (Fifth) of Article (1) of this law, not exceeding (300,000) three hundred thousand dinars in each case, if it is found that these amounts cannot be collected due to the inability of the debtor charged-in-paying person or their damage for a reason beyond their will.



## Laws

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Second: The gifts and donations stipulated in Item (Seventh) of Article (1) of this law may not be disbursed except for the purpose determined by the donor.

### ARTICLE 5

First: The charged-in-paying person shall inform the Municipality in writing of the date of commencement of the work subject to the fee and deposit a copy of the lease contract of the place or office of practicing the profession or work to the Municipality.

Second: If the payable fee is paid by instalment and the charged-in-paying person does not pay one of the instalments within one month from the due date, all the instalments shall be payable without notice.

Third: If the municipality has, under this law or other laws, a payable debt must be paid by the charged-in-paying person and he/ she does not pay it on the prescribed date, he/ she shall be notified of the obligation to pay within (30) thirty days as of the date of notification, otherwise an annual interest of (7%) seven per cent shall be imposed on the payable debt to be collected with the original debt.

Fourth: The Minister of Construction, Housing and Municipalities and the Mayor of Baghdad may exempt the charged-in-paying person from the interest provided for in Item (Third) of this Article, in whole or in part, if he/ she delays in paying for a legitimate excuse.

Fifth: The debts of municipalities and the additional amounts payable thereon shall be considered excellent debts and the Government Debt Collection Law No. 56 of 1977 shall be applied in their regard.



## Laws

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### ARTICLE 6

First: The Real Estate Registration Department may not conduct any disposal transaction on the real estate in respect of which a notification has been received from the Municipality Department of its indebtedness to the concerned municipality.

Second: The state departments, unions and professional syndicates that the law decides to visit to obtain a license to practice work or profession shall commit not to grant or renew such license to the charged-in-paying person in respect of whom the municipal departments have notified of his/ her indebtedness to the concerned municipality.

Third: The tax departments shall provide municipalities with a copy of the final annual estimation lists of real estate.

### ARTICLE 7

The charged-in-paying person who violates the provisions of Item (First) of Article (5) of this law and Item (third) of section seven of the table attached to this law shall be punished by a fine not exceeding (500,000) five hundred thousand dinars.

### ARTICLE 8

First: The Ministry of Construction, Housing and Municipalities and Baghdad Municipality may decide what wages must be collected for the services they provide after the approval of the Economic Affair Committee.



## Laws

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Second: When transferring powers from the Ministry of Construction, Housing and Municipalities to the governorates, the governorate may decide what wages must be paid for the services it provides after the approval of the Provincial Council.

### ARTICLE 9

The Council of Ministers may, based on the proposal of the Minister of Construction, Housing and Municipalities, the Mayor of Baghdad or the Governorate, add some professions to the table attached to this law.

### ARTICLE 10

The year provided for in the table annexed to this Law shall mean the fiscal year.

### ARTICLE 11

First: The manner in which municipal imports are collected shall be determined by instructions issued by the Minister of Construction, Housing and Municipalities in coordination with the Mayor of Baghdad.

Second: The Minister of Construction, Housing and Municipalities, in coordination with the Mayor of Baghdad, may issue instructions to facilitate the implementation of the provisions of this Law.



## Laws

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### ARTICLE 12

First: The provision of Item (Eighth) of Article (9) of the Tourism Authority Law No. (14) of 1996 shall be repealed and replaced with the following:

Eighth: Granting a license to establish tourist facilities such as restaurants, hotels, apartments, tourist houses, travel and tourism agency offices, offices that rent cars for tourists and foreigners, antique and heritage selling product shops inside tourist facilities, and tourist cafes and renovating them in accordance with the instructions for this.

Second: The provision of Item (Second) of Article (12) of the Tourism Authority Law No. (14) of 1996 shall be repealed and replaced with the following:

Second: For the purposes of this law, a tourist facility shall mean restaurants, hotels, apartments, tourist houses, companies and offices of travel and tourism agencies, and tourist cafes.

### ARTICLE 13

The Municipal Revenue Law No. (130) of 1963 and articles (2, 3, 4, and 5) of Law No. (175) of 1969 and the instructions issued to facilitate the implementation of their provisions shall be repealed.

### ARTICLE 14

First: It shall be prohibited to import, manufacture and sell alcoholic beverages of all kinds.





## Laws

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Second: Whoever violates Item (First) of this Article shall be punished by a fine no less than (10,000,000) ten million dinars and not exceeding (25,000,000) twenty-five million dinars.

### ARTICLE 15

No provision that conflicts with the provisions of this Law shall be applied.

### ARTICLE 16

This Law shall enter into force as of the date of its publication in the Official Gazette.



## Laws

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# SCHEDULE OF FEES ATTACHED TO THE MUNICIPAL REVENUE LAW

## PART ONE CONSTRUCTION FEE

First: (250) Two hundred and fifty dinars for each m<sup>2</sup> of the Plan of the building for one house.

Second: (500) Five hundred dinars for each m<sup>2</sup> of the Plan of the building for whoever owns more than one house.

Third: (750) Seven hundred and fifty dinars for each m<sup>2</sup> of the Plan of the building for commercial and industrial purposes.



## Laws

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### PART TWO CARNAGE FEE

First: (10000) Ten thousand dinars for one head of camels and buffaloes.

Second: (5000) Five thousand dinars for one head of bulls and cows.

Third: (2000) Two thousand dinars for one head of sheep, goats and calves.



## Laws

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### PART THREE ADVERTISEMENT FEE

First:

- a. (2000) Two thousand dinars per month for each meter or part thereof of static or mobile advertisements outside the stores, on their facades or in their entrances in Arabic language.
- b. (4000) Four thousand dinars per month for each meter or part thereof of static or mobile advertisements outside the stores, on their facades, or in their entrances in English language.
- c. (5000) Five thousand dinars per month for each meter or part thereof of static or mobile advertisements in public places.
- d. (3000) Three thousand dinars per month for each meter or part thereof for advertisements displayed by various electronic display means (screen, tape or other forms).
- e. (4000) four thousand dinars for each broadcast or show for the advertisement broadcasted by radio and television.
- f. (5000) Five thousand dinars per week or less for the advertisement shown on the screen in cinemas.
- g. (250) Two hundred and fifty dinars for each centimetre of space occupied by the advertisement published in newspapers and publications.





## Laws

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Second: The full amount of the fee for the advertisement stipulated in Paragraphs (a),( b), (c), and (d) of Item (First) of this section for exhibition periods of less than one month.

Third: Shops whose rent is less than (1,200,000) million and two hundred thousand dinars annually shall be exempted from the advertising fee stipulated in paragraphs (a) and (b) of Item (First) of this section, if the advertisement is not related to a specific commodity or service.



## Laws

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### **PART FOUR** **LOTTERY AND BETTING FEE**

(10%) Ten per cent of the price of tickets sold from lotteries or betting.



## Laws

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### **PART FIVE** **CIGARETTES, TOBACCO,** **MATCHES AND DRINKS FEE**

First: Half of the tax imposed on cigarettes.

Second: Half of the tax imposed on tobacco produced in Iraq.

Third: (1) One dinar for each matchbox.

Fourth: (50) Fifty dinars for each litre of soft or non-alcoholic refreshing drinks.



## Laws

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**PART SIX**  
**FEE FOR PRACTICING**  
**BUSINESS AND PROFESSIONS**  
**AND OWNING OR RENTING ITS**  
**SHOPS**

First:

- a. (10%) Ten per cent of the annual rent for the place of work or profession shown in the following:
1. Banks.
  2. Insurance and reinsurance companies and offices.
  3. Registered contracting companies and offices that carry out the contractor's construction, electrical or chemical works.
  4. Natural massage shops.
  5. Refreshing and soft drinks.
  6. Cigarettes.
  7. Tobacco.
  8. Sale of hot drinks.





## Laws

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9. Hotels.
10. Importing vehicles and machinery.
11. gold sellers.
12. Silver.
13. Gems.
14. Gemstones and rosaries.
15. Watches.
16. Antiques.
17. Rugs.
18. Aromatic scents
19. Decorative supplies.
20. Fur sale.
21. Fur industry.
22. Materials enamelled or made of Chinese material or glass.
23. Working with precious metals such as gold and silver craftsmanship.
24. Architects.
25. Contractors.
26. travel agents.
27. Money changers.
28. Brokers.



## Laws

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29. Automated plants and factories, or in which more than (6) six people are employed.
30. Toys.
31. Metal furniture.
32. Dresses.
33. Textiles.
34. The shoes.
35. vehicles and machines sale dealerships.
36. Selling spare parts for vehicles, machines.
37. Selling radio, television, photo and audio recording equipment, video equipment, image projectors and listening devices of all kinds.
38. Musical instruments and equipment.
39. Sewing machines.
40. Photography devices.
41. Eyeglasses and telescopes.
42. Optical equipment.
43. Surgical instruments and medical supplies.
44. Electrical equipment and tools.
45. Oil equipment.
46. Building materials and supplies.



## Laws

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47. Sports supplies.
48. travel supplies.
49. Weapons and their parts.
50. Fabrics.
51. Hats.
52. Restaurants.
53. Cafes.
54. Selling refreshments.
55. Pharmacies and drug stores.
56. Transportation shops and garages.
57. Construction equipment supplies of all kinds.
58. communications companies.
59. Communication towers.
60. Internet companies.
61. Internet towers.
62. Satellite channels.
63. Internet offices and cafes.
64. Electronic games halls.
65. Billiards halls.
66. Stores that sell CDs and information storage devices.



## Laws

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67. Offices of teaching the use of electronic computer.
68. Offices and shops selling electronic computers.
69. Shops selling and repairing television and satellite receivers.
70. Shops selling and maintaining mobile phones and related tools.
71. ATM offices.
72. Shops selling or repairing electrical generators.
73. Shops for manufacturing and selling manufactured water (mineral water).
74. Shops for renting chairs and tents.
75. Shops for renting and selling suits.
76. Body building halls and sports halls of all kinds.
77. Brokerage shops and offices of all kinds.
78. Shops and offices of devices, equipment, tools and supplies.
79. A carpet store.
80. Shops selling agricultural and veterinary equipment.
81. Shops selling fishing nets, ropes, strings, bats, tents, and marquees.
82. Shops of selling vegetables, fruits, meat and dairy.
83. Grocery stores.
84. Tailor shops.
85. Electric and stone bread bakeries .
86. Bakeries.





## Laws

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87. Shops of selling natural and artificial flowers, ornamental fish and ornamental birds.
88. Shops and offices selling animals of all kinds.
89. Shops of selling sweets and pastries.
90. Transportation, tourism, freight and car rental services.
91. Concert preparation shops.
92. Halls for holding parties.
93. Fun game stores.
94. Sauna baths.
95. Car garages.
96. Artesian well drilling offices.
97. Driving training offices.
98. Plant nurseries.
99. Offices and workplaces for ceilings and decoration.
100. Doctor clinics.
101. Opticians and dental installers.
102. Auxiliary medical professions.
103. Laboratories.
104. Hospitals.
105. Veterinary medicine and treatment centres.



## Laws

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106. Radiography and sonar offices.
107. Shops and offices of the engineering, legal, financial, auditing and technical professions.
108. Building construction and restoration offices.
109. shops of teaching the art of designing, sewing and embroidery.
110. Translation, printing, reproduction, calligraphy and painting shops.
111. Offices of selling books, stationery and their supplies.
112. Presses.
113. Shops, offices and advertising, publishing and advertising companies.
114. Book and magazine binding shops.
115. Furniture stores.
116. Furniture selling yards.
117. Gas filling plants.
118. Fuel filling stations.
119. Shops for repairing electrical, oil, gas, electronic, mechanical, medical and precision equipment.
120. Video and audio recording shops.
121. Barber and beauty shops.
122. Fitness and agility shops.
123. Recreational and social clubs.



## Laws

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124. Blacksmithing, carpentry and welding shops.
125. Car and machine maintenance shops.
126. Washing and lubricating shops.
127. Shops of selling tires and batteries.
128. Washing, ironing or dyeing clothes shops.
129. Shoe and bag repair shops.
130. Live poultry selling shops.
131. Fodder selling shops.
132. Nut and pickle shops.
133. Coffee roasting and selling shops.
134. Picture-frames making and mirrors selling shops.
135. Marquee, tent and upholstery sewing shops.
136. Glass door and window selling and installing shops.
137. Cutting and manufacturing aluminium (pvc) shops.
138. Sanitary and electrical instalment.
139. Selling junk shop.
140. Fast food selling shop.
141. Machine, equipment and tool rental shops.
142. Yards for selling livestock.
143. Fruit and vegetables stores.



## Laws

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144. Direct car sale yards.
145. Photographers' shops.
146. Labour offices and employment of Iraqi and foreign workers.
147. Private schools and kindergartens.
148. Private hospitals.
149. Private colleges and institutes.
150. Security companies and offices.

b. ( 5%) five per cent of rent for factories that produce the following:

1. Milk and its derivatives and dairy products of all kinds.
2. Margarine.
3. Canned foods.
4. Cured meat.
5. Sugar.
6. Sweets.
7. Cigarettes.
8. Tobacco.
9. The sulphur matches.
10. Sulphur.
11. Juices.





## Laws

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12. Alcohol-free refreshments.
13. Ice.
14. Ice cream.
15. Biscuits.
16. Pasta.
17. Flour.
18. Groat.
19. Textiles.
20. Fabrics.
21. Cotton.
22. Wool.
23. Classification of bowels.
24. Yarns.
25. ropes.
26. Jute.
27. Mats.
28. Papyrus.
29. Cement.
30. Cement pipes.
31. Plastic tubes.



## Laws

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32. Asbestos.
33. House tiles.
34. Tiles of all kinds.
35. Bricks.
36. Plaster
37. Lime mortar
38. Pottery.
39. Marble.
40. Mirrors.
41. Polished marble.
42. Alabaster.
43. Machines.
44. Electrical tools.
45. Vehicles and their spare parts.
46. Industrial and chemical products.
47. Paper.
48. The cartoon.
49. Iron.
50. Steel.
51. Aluminium



## Laws

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52. Rubber.
53. Grease.
54. Vegetable oil.
55. Soaps.
56. Perfumes.
57. Candles.
58. Glue.
59. Industrial manure.
60. Shoes.
61. Leather.
62. Tanning.
63. Furniture.
64. Welding factory.
65. Repair or dyeing of fabrics and clothes
66. Washing or ironing.
67. Cooling Stores.

- c. The fee shall be collected in four equal instalments, and the part of the instalment is a full instalment.
- d. Shops whose annual rent allowance does not exceed (1,200,000) one million and two hundred thousand dinars shall be exempted from the fee stipulated in Item (First) of this section.



## Laws

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Second:

- a. (500.000) Five hundred thousand dinars monthly for horse racing shops.
- b. (10%) Ten per cent per month of the total revenues of amusement parks (Luna Park) circus games or the like.

Third: The following fee shall be imposed for the registration of the work and professions shown for them upon incorporation for one time for the following shops:

- a. (500.000) five hundred thousand for movie production.
- b. (350,000) Three hundred and fifty thousand dinars for the production of movies and television materials
- c. (250,000) Two hundred and fifty thousand dinars for the production of software prepared for television and video show and electronic computer software.
- d. (500,000) Five hundred thousand dinars for circus games and the like.
- e. Five hundred thousand dinars for horse racing.
- d. Cinema and dance clubs (Eastern or western) (Winter or summer ones):
  1. (500,000) Five hundred thousand dinars for first class.
  2. (350,000) Three hundred and fifty thousand dinars for second class.
  3. (250,000) Two hundred and fifty thousand dinars for third class.
  4. (100,000) One hundred thousand dinars for fourth class.
- g. Amusement parks (Luna Park):
  1. (250,000) Two hundred and fifty thousand dinars for first class.
  2. (150,000) One hundred and fifty thousand for second class.



## Laws

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### h. Hotels with restaurants:

1. (200,000) two hundred thousand dinars for first class
2. (150,000) One hundred and fifty thousand for second class.
3. (50,000) fifty thousand dinars for third class.
4. (20,000) twenty thousand dinars for fourth class.

### I. Hotels without restaurants:

1. (40,000) forty thousand for first class
2. (30,000) thirty thousand for second class.
3. (20,000) twenty thousand for third class.
4. (10,000) ten thousand for fourth class.

### J. Casinos or cafes:

1. (20,000) twenty thousand for first class.
2. (15,000) Fifteen thousand for second class.
3. (10,000) ten thousand for third class
4. (5,000) five thousand for fourth class.

Fourth: The Municipality shall undertake the classification of jobs and work stipulated in Item (Third) of this Part.

Fifth: The following shall be exempted from the fees stipulated in this part:

- a. Work and professions that are managed directly by state departments and municipalities.



## Laws

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- b. The factories and plants provided for in paragraph (b) of Item ( First ) of this Part during the period of exemption from income tax.
- c. Persons who practice work by sewing, knitting, twisting ropes and threads, and knitting mats with the help of family members residing in one house without employing other workers and without using mechanical force.
- d. Exhibitions held by the state to promote products, goods, machines and other equipment or that are allocated to encourage culture, arts and sports, and international exhibitions dedicated to those purposes and shall be carried out under national sponsorship, in condition of reciprocity, printing presses, publishing houses, newspapers, public baths and pharmaceutical production laboratories.

Sixth: The municipality shall determine the percentage of the fee paid by those who carry out work in one building, and if the work and sale are in one shop or in connected shops, the maximum fee shall be imposed on any of those competent works.

Seventh: The rental allowance provided for in this Section for the purpose of applying the provisions of this law shall mean the agreed annual rent, provided that it is not less than the amount of the annual rent estimated in accordance with the Real Estate Tax Law.

Eighth:

- a. If the property includes multiple sections rented individually and for multiple professions, then the municipality shall estimate the rent of each section individually as if it were an independent property to impose the fee under it, regardless of the current estimate for the purpose of real estate tax.
- b. If the shop is not valued in accordance with the provisions of the Real Estate Tax Law, the competent municipality shall estimate for the purpose of imposing the fee and the taxpayer has the right to object to it within (15) fifteen days from the date of notification of the estimate.





## Laws

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### SECTION SEVEN AUCTION SELLING FEE

First: (3%) three per cent of the prices of the materials sold (non-pension) in public auction shops.

Second: The owner of the public auction-related shop may not collect more than (8%) eight per cent of the prices of the sold materials (non-pension), including the municipality's share in his/ her own shop and (5%) five per cent in other shops.

Third: The owner of the shop shall keep the original records of all his/ her transactions and sales.