Decision 2013/1, issued on December 28, 2018

Beirut, Lebanon

Topic

Amendments relating to the Value added tax of the provision of Article 59 of Law No. 379 dated December 14, 2001-concerning Tax refunds for Tax exempt operations**.**

Purpose

Any person wishing to benefit from the provisions of Article 59 of Law No. 379 dated 14/12/2001 and its amendments with the purpose of applying for a tax refund, shall personally apply to the department of services dealing with value added tax concerns. It could either be the individual institution, the legal representative of the company, the authorized signatory, or through the legal representative of the association. Copies of proof of identity, license, industrial certificate and sales invoices for tax exempt products are required when filing the application. Subsequent to the application, the tax department shall consider the application and whether it meets the requirements for a tax refund, within three working days from the date requested. In the case of the need for additional documents, the taxpayer shall be given three working days to secure it subject to rejection of the application. The services department shall determine the request within fifteen days from the date of submission. To conclude, the taxpayer shall be entitled to a tax refund immediately upon the decision has been made. Delays or non-submission of applications withdraws the right of the taxpayer to claim a tax refund with no revocation on the matter.

Entitlement of a Tax Refund Right

The taxpayer may make adjustments to the refund request within the time of submission of the request. If the amendment results in a reduction of the amount to be refunded to less than five million Lebanese pounds, the refund request will be canceled. However, the taxpayer may make adjustments to the refund request or the statement of the calculation of the recoverable amount of the tax beyond its submission period. If the adjustment results in a decrease of the amount to be recovered in the redemption request of LBP 5 million, the recoverable amount would be zero. Moreover, In the case of amendments by the tax administration to the request of refund so that the amount to be recovered is less than five million Lebanese pounds, then the recoverable amount becomes also zero. Finally, In the case of amendments by the tax administration to the statement of the calculation of the tax so that the amount to be recovered is more than five million Lebanese pounds, then the amount will be zero and the recoverable amount after the amendment is a refundable tax that the taxpayer can include in the reclamation request for the calendar year.