

From the Team

July 2023

Egypt – Income Tax Table Update

The Egyptian Tax Authority published Law No 30 of 2023, amending the Income Tax Law No.91 of 2005. This amendment included revised individual income tax brackets for the 2023 tax year, with effect from 1 July 2023. These revised individual income tax brackets were implemented on the system on 5 July 2023, with effect from 1 July 2023. The last tax bracket has been updated on 20 July 2023, with effect from 1 July 2023. Taxpayers with an annual net taxable income above 1 200 000.00 are not eligible for the 0%, 2.5%, 10%, 15%, 20% and 22.5% tax brackets. Therefore, the tax on threshold has been increased from 290 000.00 to 300 000.00.

Click [here](#) for the Official Gazette in Arabic.

Annual Individual Income Tax Tables July 2023:

Tax Tables

Tax Rate	Up to 600 000.00	600 000.00 - 700 000.00	700 000.00 - 800 000.00	800 000.00 - 900 000.00	900 000.00 - 1 200 000.00	More than 1 200 000.00
0%	Up to 21 000.00					
2,5%	21 000.01 - 30 000.00	Up to 30 000.00				
10%	30 000.01 - 45 000.00	30 000.01 - 45 000	Up to 45 000.00			
15%	45 000.01 - 60 000.00	45 000.01 - 60 000.00	45 000.01 - 60 000.00	Up to 60 000.00		
20%	60 000.01 - 200 000.00	60 000.01 - 200 000.00	60 000.01 - 200 000.00	60 000.01 - 200 000.00	Up to 200 000.00	
22,5%	200 000.01 - 400 000.00	200 000.01 - 400 000.00	200 000.01 - 400 000.00	200 000.01 - 400 000.00	200 000.01 - 400 000.00	
25%	400 000.01 - 1 200 000.00	400 000.01 - 1 200 000.00	400 000.01 - 1 200 000.00	400 000.01 - 1 200 000.00	400 000.01 - 1 200 000.00	Up to 1 200 000.00
27,5%	More than 1 200 000.01	More than 1 200 000.01	More than 1 200 000.01	More than 1 200 000.01	More than 1 200 000.01	More than 1 200 000.01

- One income tax bracket has been modified.
- The last bracket was updated to calculate the income tax on annual net taxable income greater than 1 200 000.00.
- Taxpayers with a higher net taxable income are not allowed to avail of the lower tax brackets:
 1. The annual net taxable income ranging between 600 000.00 and 700 000.00 is not eligible for the 0% tax bracket.
 2. The annual net taxable income ranging between 700 000.00 to 800 000.00 is not eligible for the 0% and 2.5% tax brackets.
 3. The annual net taxable income ranging between 800 000.00 and 900 000.00 is not eligible for the 0%, 2.5%, and 10% tax brackets.
 4. The annual net taxable income ranging between 900 000.00 and 1 200 000.00 is not eligible for the 0%, 2.5%, 10%, and 15% tax brackets.
 5. The annual net taxable income above 1 200 000.00 is not eligible for the 0%, 2.5%, 10%, 15%, 20% and 22.50% tax brackets.

Lower Income Limit	Upper Income Limit	Income Threshold	Marginal Rate	Tax on Threshold
0.00	21 000.00	0.00	0%	0.00
21 000.00	30 000.00	15 000.00	2.5%	0.00
30 000.00	45 000.00	30 000.00	10%	225.00
45 000.00	60 000.00	45 000.00	15%	1 725.00
60 000.00	200 000.00	60 000.00	20%	3 975.00
200 000.00	400 000.00	200 000.00	22.5%	31 975.00
400 000.00	600 000.00	400 000.00	25%	76 975.00
600 000.00	700 000.00	600 000.00	25%	127 500.00
700 000.00	800 000.00	700 000.00	25%	154 750.00
800 000.00	900 000.00	800 000.00	25%	182 000.00
900 000.00	1 200 000.00	900 000.00	25%	210 000.00
1 200 000.00	99 999 999 999.00	1 200 000.00	27.5%	300 000.00

Paymaster Impact

- The revised tax brackets have been implemented effective 1 July 2023.
- Customers must remain on the “non cumulative tax method” for the 2023 tax year.
- Only customers with employees who have annual net taxable income greater than 1 200 000.00 must recalculate the payroll in order for the changes to take effect.