

TUNISIA

As per 1 January 2020

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EXPATRIATE AND EMPLOYER TAX COMPLIANCE AND ADVISORY

Personal Income Tax Rates – employment Income	Progressive tax rate : 0% -35%. Income below 5000 Dinars will not be taxed. Preferential tax rate 20% in case of totally exporting company.
Tax Rate	
Social contribution (CSS) to be paid with tax	1% on annual taxable salary(not applicable in case of preferential taxation at 20%).
Tax period	Calendar year
Tax residency / Domicile according to domestic law	Subject to the provisions of international conventions and special accords, the income tax is due on 1 January of each year by any natural person having in Tunisia a habitual residence on all of his profits or income earned during the last year. Are considered as having a habitual residence in Tunisia: 1- persons who have a main dwelling there; 2- persons who, without having a main dwelling in Tunisia, stay there for a period of at least 183 days in a continuous or discontinuous manner during the calendar year; 3- Officials and agents exercising their function or carrying out their duties in a foreign country to the extent that they are not subject in that country to a personal tax on their entire income.
Tax registration	Not required
Employment income definition	It is understood by remuneration, which is due to the worker in return for the work done for the benefit of his employer. Remuneration includes basic salary irrespective of the method of calculation and its accessories consisting of indemnities and benefits in cash or in kind, irrespective of whether they are fixed or variable, general or specific, with the exception of allowances having the character of reimbursement of expenses.
Examples of tax exemption	Refund of fees if justified and not excessive.
Specific expatriate concession	N/A
Income of board members	Depending on both the type of company and the functions performed in the company.
Tax returns	The taxpayer must declare all of his income each year in a single income tax return before December 5 of each year.
Tax payments	A withholding tax on income Month M should be declared monthly by the employer before Day 28 M+1. After the annual closing, the employee obtains a withholding tax certificate regarding the income tax withheld during the year to be deducted from his tax due.
Tax on real estate property	

TAX TREATIES

Employment income / income from board members	Art 15/16 Model OECD Tax treaties
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INTERNATIONAL SOCIAL SECURITY

Cross border employments	N/A
Exception under Art 16 of Reg. 883/2004	N/A
and Art 17 of Reg. 1408/71	

Social Security Cost as % from gross salary and absolute amounts

9,18% of gross salary for employee and 16,57% for employer ,work accident: the rate depends on the activity of the company (between 0.5% and 5%)

IMMIGRATION

Work permit

It is necessary to obtain a certificate from the Ministry of Employment for all foreigners working in Tunisia

Visa

Are exempted from visa formalities:

1- nationals of the following countries for a stay not exceeding three months: Algeria, Germany, Andorra, Antigua, Argentina, Austria, Bahrain, Barbados, Belgium, Bermuda, Bosnia and Herzegovina, Brazil, Brunei, Bulgaria, Canada, Chile, South of Korea, Ivory Coast, Croatia, Denmark, Dominica, Spain, United States of America, Fiji, Finland, France, Gambia, Greece, Guinea, Honduras, Hong Kong, Hungary, Ireland, Iceland, Italy, Japan, Kiribati , Libya, Liechtenstein, Luxembourg, Macedonia, Malaysia, Maldives, Mali, Malta, Morocco, Mauritius, Mauritania, Monaco, Niger, Norway, Oman, Netherlands, Portugal, Qatar, Romania, United Kingdom of Great Britain and Northern Ireland (for nationals with ordinary passports), Saint Kitts and Nevis, Saint Lucia, Solomon Islands, Senegal, Serbia and Montenegro, Seychelles, Slovenia, Sweden, Switzerland Turkey and the Vatican.

2- Holders of diplomatic and special (service) passports from the following countries: Benin, Brazil, Burkina Faso, Cuba, Jordan, Mexico, Pakistan, Philippines, Poland, Czech Republic, Rwanda, Slovakia, Syria, Taiwan, Thailand, Zimbabwe.

Residency permits / registration certificate

When the stay exceeds 3 months, a residency permit is required

Driving license

Foreign driving license valid, not subject to restriction, suspension, withdrawal or cancellation /To fulfill the age requirement for obtaining a Tunisian driving license/Verification of the authenticity of the permit with the competent foreign authorities for ATTT specialized services/Reside in Tunisia for foreigners

STOCK OPTION PLAN

N/A

ARTICLE 15 OF THE OECD MODEL

183 days

Stay for a period of at least 183 days in a continuous or discontinuous manner during the calendar year

Notion of employer

The employer is the person towards who the employee is in a situation of legal subordination. The tunisian legislation does not provide for the case of an employee who works for two or more employers of the same group.

Existence of a permanent establishment

The definition of a permanent establishment is determined in the tax treaty.
In countries where no tax treaty was signed with Tunisia → see the Tunisian criteria of permanent establishment (according to the administrative doctrine, because the Tunisian law does not define the notion of permanent establishment)

- continuity in the time of the services
- the services are multiples and dependents on each other;
- The services form a complete business cycle;
- The services performed require a fixed base of business,



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