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## ANGOLA

### AMENDMENTS TO THE INDUSTRIAL TAX CODE

Law no. 26/2020, of 20<sup>th</sup> July, 2020, approved several amendments to the Industrial Tax Code, which have a huge impact not only on the Angolan resident companies, but also on all foreign entities providing services to Angolan clients.

Among the several amendments, we highlight the following:

#### • Rates

- Reduction of the standard rate from 30% to 25%.
- Application of a 35% rate to insurance and banking entities, Telecom operators and Angolan oil companies.
- Increase of the final withholding tax rate on services provided by non-resident entities from 6,5% to 15% (except in case of application of a double taxation treaty signed by Angola, such as with Portugal).

#### • Taxation Regimes

Replacement of the two existing taxation groups (Group A and B) by a General and a Simplified regime.

#### • Loss carry forward

Extension of the loss carry forward period from 3 to 5 years.

#### • Merger and demerger of companies

The tax neutrality regime is extended to all Industrial Tax taxpayers (up to this moment the regime was only applicable to Major taxpayers)