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ANGOLA

AMENDMENTS TO THE INDUSTRIAL TAX WITHHOLDING RATE ON SERVICES PROVIDED TO OIL COMPANIES

Law no. 26/2020, of 20th 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.

Namely, it was approved an 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).

As per the draft of the 2021 Angolan State Budget made public by the Ministry of Finance, it is foreseen an amendment to this regime, according to which the Industrial Tax withholding rate applicable to services rendered by non-resident suppliers to Angolan oil companies shall be of 6.5% during year 2021.

The State Budget proposal is still under discussion and still needs to be approved, enacted and published in the Official Gazette.