

Current Tax System (Kuwait)

Serial Number	Taxes	Taxpayers	Objects of Taxation ( Base of Taxation )	Tax Rates
Goods and Services Taxes				
1	Customs duty	GCC Customs Law does not provide definition of taxable persons.	Customs value of the imported goods (generally determined by CIF, i.e., cost, insurance and freight).	- Most foreign imports: 5% - Tobacco and cigarettes: 100% - Alcohol: 50% - Exempt: items on the exemption list
Income Taxes				
2	Corporate Income Tax	Foreign companies (including partnerships, pension funds, trusts, investment funds, investment companies and other collective investment vehicles) carrying on trade or business activities in Kuwait, whether through a local agent or as a shareholder in a locally registered company, are subject to tax.	The gains and profits of a corporate entity derived from the carrying on of trade or business in Kuwait.	15%
3	National Labour Support Tax (NLST)	Shareholding ‘joint stock’ (KSC) entities (i.e. Kuwaiti companies listed on Kuwait Stock Exchange) are required to pay the tax.	NLST on profits of listed companies.	2.5%
4	Zakat	The tax applies only to (public and closed) shareholding companies wholly owned by Kuwaiti (and other Gulf Cooperation Council "GCC") nationals.	Zakat on net profits of Kuwaiti shareholding companies.	1%