

# MAIN TAX PROVISIONS OF THE 2025 FINANCE LAW

## MEASURES SPECIFIC TO INCOME TAX

- 1 - Transfer of fixed assets between companies of the same group
- 2 - Joint ventures and economic interest groups

## INCOME TAX ON REVENUE (IR) SPECIFIC MEASURES

- 1 - IR calculation scale
- 2 - Deduction for dependents
- 3 - Vouchers representing food or feed costs
- 4 - Internship allowances for employment promotion
- 5 - Land income
- 6 - New categories of income subject to IR
- 7 - Land profits (New categories)
- 8 - Contribution of real estate assets and property from the private assets of a natural person to the assets of his company
- 9 - Retirement
- 10 - Retirement pensions and life annuities (Basic schemes)

## VAT-SPECIFIC MEASURES

- 1 - Services provided remotely
- 2 - Real estate companies and collective real estate investment organizations (OPCI)
- 3 - Dry yeasts
- 4 - Fresh or frozen seasoned meat
- 5 - Importation of certain live animals and agricultural products

## MEASURES SPECIFIC TO REGISTRATION FEES

- 1 - Long-term leases / Leases with a duration of more than 10 years
- 2 - Sanction applicable to professionals responsible for completing the formality of registration electronically
- 3 - Obligation for notaries
- 4 - Prohibition for landowners
- 5 - Free transfer of real estate assets for the benefit of the families of Chouhadas, soldiers mutilated during operations and repatriated and rallied soldiers
- 6 - Acts of constitution of guarantees for the benefit of the tax administration relating to all taxes

## COMMON MEASURES

- 1 - Tax incentive scheme for FIFA representations in Morocco and organizations affiliated with it
- 2 - 70% reduction applied to the net capital gain realized on the sale of fixed assets
- 3 - Withholding tax on income from shares, social shares and similar income
- 4 - Electronic notification
- 5 - Procedure for amicable agreement between the administration and the taxpayer
- 6 - Tax-deductible depreciation of passenger vehicles

# **MEASURES SPECIFIC TO INCOME TAX (IS)**

## 1 - Transfer of fixed assets between companies of the same group

- ✓ Amendment of the threshold for holding, by the parent company on a continuous basis, directly or indirectly, of the share capital of group companies, by setting said threshold at two thirds (2/3) instead of 80%
- ✓ Establishment of the possibility of assessing fixed assets transferred between members of the group of companies at their net book value
- ✓ Clarification of the concept of “transfer of fixed assets”, specifying that this transfer means the contribution in return for the granting of securities
- ✓ The consecration of the rule of deferral of payment of IS on the net capital gain realized, instead of the deferred integration of this net capital gain in the taxable result, as is provided for in the other incentive regimes for restructuring companies.

## 2 - Joint Ventures (SEP) and Economic Interest Groups (GIE)

- **SEP**:

- ✓ Mandatory subjection to IS:

The following are concerned:

- SEPs with more than 5 individual partners
- SEPs comprising at least one legal entity

The tax is established in the name of the company, with joint and several liability between partners for the payment of the tax due .

- ✓ New obligations for SEPs not subject to IS:

- Keeping accounts
- The partners are required to attach to their annual declarations of global income the accounting documents of these companies allowing their share in the net profit achieved by said companies to be determined.

## 2 - Joint Ventures (SEP) and Economic Interest Groups (GIE)

- **GIE** :
  - ✓ Taxation now in the name of members according to their share.
  - ✓ Obligation for EIGs to transmit a detailed statement of distribution of results between members.



# IR SPECIFIC MEASURES

## 1 - IR scale

✓ Adjustment of the scale

Before the 2025 LF		
Income brackets	Rate	Amounts to be deducted
0 to 30,000	0%	0
30,001 to 50,000	10%	3,000
50,001 to 60,000	20%	8,000
60,001 to 80,000	30%	14,000
80,001 to 180,000	34%	17,200
Beyond 180,000	38%	24,400

LF 2025		
Income brackets	Rate	Amounts to be deducted
0 to 40,000	0%	0
40,001 to 60,000	10%	4,000
60,001 to 80,000	20%	10,000
80,001 to 100,000	30%	18,000
100,001 to 180,000	34%	22,000
Beyond 180,000	37%	27,400

## 2 – IR deductions for family expenses

✓ Increase in the annual amount per dependent from 360 to 500 dirhams.

## **3 - Vouchers representing food or feeding costs issued by employers to their employees**

- ✓ Increase in the exempt amount from 30 to 40 dirhams per employee and working day with the possibility of paying said vouchers electronically.

## **4 - Internship allowance for employment promotion**

- ✓ Revision of exemption conditions:
  - Integration of non-graduates
  - Reduction of the exemption period from 24 to 12 months
  - Exemption is maintained for a limit of 12 months in the event of a change of employer
  - Application of an IR exemption for a period of 24 months, in the event of recruitment of the trainee under a permanent employment contract, for the gross monthly salary capped at 10,000 DHS .

## 5 - Land income

### ✓ Option pour taux libérateur

Taxpayers will be able to opt for a withholding tax rate of 20% instead of the non-withholding tax rates of 10% and 15% (revocable option).

Taxpayers must submit a request to the tax authorities and provide the person with the receipt. The option takes effect from the month following the month in which the copy of the aforementioned receipt is provided to the persons responsible for withholding tax.

Taxpayers opting for this new regime will benefit from an exemption from the annual declaration of global income for this property income.

### ✓ Modification du seuil minimum pour effectuer l'aire retenir and ...

Exemption from withholding tax for income exceeding 40,000 DHS per year, instead of 30,000 DHS previously.

Income land	Threshold	RAS	Abatement	Rate liberating
Rents <= 40,000	40,000.00	0%	N / A	
Rents < 120,000	120,000.00	10%	40%	20% tax option with liberation
Rents >= 120,000	120,000.00	15%	40%	

## 6 – New categories of income taxable under IR

### ✓ New categories :

- Income assessed as part of the procedure for examining the entire tax situation of individuals whose source has not been justified;
- Gambling winnings from foreign sources made via the Internet, whatever their form;
- Income and miscellaneous gains from lucrative operations which do not fall into another category of income.

### ✓ Tax regime :

- Withholding tax of 30% carried out by credit institutions and similar organizations or any other person who pays or intervenes in the payment of winnings from games of chance from foreign sources;
- contribution of 2% for establishments paying profits from Moroccan sources, calculated on the net taxable income used as the basis for IS or IR (actual or simplified regime) .

## 7 – Land profits

- ✓ Integration into the category of land profits of profits made on the occasion of the transfer of buildings or real estate rights from the private assets of a natural person to the assets of his company subject to income tax according to the real net profit regime or that of the simplified net profit, if this transfer is made at a value higher than their original acquisition price . These transactions are therefore excluded in the case where the transfer is made at the acquisition price.
- ✓ Integration into the category of land profits of profits made on the occasion of:
  - expropriation of buildings or real estate rights resulting from an act of violence
  - transfer of ownership of real estate or real estate rights by a court decision having the force of res judicata
- ✓ Obligation to withhold 5% tax at source on amounts paid by persons involved in the payment of said amounts, with the possibility of deducting the amount withheld at source from the income tax on land profits due, with the right to restitution

### **8 – Contribution of real estate assets and rights from the private assets of a natural person to the assets of their subject company**

- ✓ Eligibility for the benefit of the incentive scheme provided for in Article 161 bis –II of the CGI for operations involving the contribution of shares and corporate units of companies with a real estate focus not listed on the stock exchange carried out by individuals.

## **9 – Purchase of supplementary pensions for which contributions have not been deducted**

- ✓ The exemption benefits provided at the end of supplementary pension contracts, from which contributions have not been deducted, is now subject to the obligation to conclude these contracts for a period equal to at least eight (8) years in order to benefit from
- ✓ Failure to take into account the aforementioned period in the event of death or disability of the person concerned
- ✓ Clarification of the terms of taxation of benefits relating to supplementary pension contracts and those relating to life insurance or capitalization contracts or Takafu investment contracts , paid before the expiry of this period of eight (8) years.

## **10 – Retirement pensions and life annuities (Basic schemes)**

- ✓ Exemption from retirement pensions and life annuities paid under basic pension schemes



# VAT-SPECIFIC MEASURES

## 1 – Services provided remotely

- ✓ Exclusion from the scope of VAT of remote services provided to occasional resident customers . VAT being payable in their country of habitual residence for customers in Morocco and in Morocco for Moroccan residents abroad.
  
- ✓ Definition of tax residence in Morocco. Territoriality is established in the following cases :
  - Invoice made out to a Moroccan address
  - Payment made with a Moroccan bank card
  - Using an IP address located in Morocco
  - Use of the Moroccan telephone code
  
- ✓ The change in the reporting frequency of turnover achieved in Morocco by these service providers, moving from monthly to quarterly filing via the electronic platform.

## 2 - Real estate companies and collective real estate investment organizations (OPCI):

- ✓ VAT exemption inside with the right to deduction for capital goods intended for private education and professional training acquired by real estate companies or OPCI created exclusively for the realization of construction projects for these establishments.

Terms :

- Compliance with the same regulatory formalities provided for educational equipment;
  - Conservation of property for the duration imposed on private educational establishments.
- 
- ✓ Exclusion from the scope of VAT of rentals relating to unequipped premises acquired or built by real estate companies or OPCI, created exclusively for the construction projects of the aforementioned educational establishments

## 3 – Dry yeasts

- ✓ Taxation of dry yeasts with VAT at the rate of 20% domestically and upon import

## 4 – Fresh or frozen seasoned meat

- ✓ Exemption of fresh or frozen meat, seasoned or not, from VAT without the right to deduction

## 5 – importation of certain live animals and agricultural products

✓ Temporary exemption from VAT on import operations of certain live animals and agricultural products

The following import operations for live animals and products are exempt from value added tax on imports from 1 January 2025 to 31 December 2025 (within the limits of the quotas set) :

- animals of the bovine, ovine, caprine and camelid species;
- Breeding calves and heifers ;
- Meat of animals of the bovine, ovine and caprine species, fresh or refrigerated or frozen;
- rice imported by industrialists in the sector;
- Virgin and extra virgin quality olive oils .

# MEASURES SPECIFIC TO REGISTRATION FEES

## 1 - Long-term leases / Leases with a duration of more than 10 years

- ✓ Replacement of the term “*emphyteutic lease*” by “*lease with a duration of more than 10 years*”
- ✓ Revision of the taxable base:
  - Leases with a duration of more than 10 years and less than 20 years: The taxable base is now calculated on the total amount of rent corresponding to the duration of the lease, increased by charges.
  - Leases with a duration equal to or greater than 20 years: the taxable base remains determined by 20 times the annual rent, increased by charges.

## 2 - Sanction applicable to professionals responsible for completing the formality of electronic registration

- ✓ Application of a fine of 1,000 dirhams for professionals subject to the obligation of electronic registration (notaries, adouls , chartered accountants, certified accountants) in the event of:
  - No mandatory information provided;
  - Provision of incomplete or incorrect information;
  - No transmission of the act or agreement;

Fine not applicable if breaches are corrected within 30 days of registration.

## 3 - Obligation for notaries

- ✓ Obligation for notaries to transmit documents to the tax authorities electronically with a secure electronic signature.

This measure complements the current obligation to present minute registers for visa and to electronically transmit copies of documents.



## **4 - Prohibition for landowners**

- ✓ Ban on land conservators to receive documents not accompanied by a registration certificate issued by the tax administration

## **5 - Free transfer of real estate assets for the benefit of the families of Chouhadas , soldiers mutilated during operations and repatriated and rallied soldiers**

- ✓ Exemption from registration fees for free transfers of real estate, for the benefit of the families of Chouhadas , soldiers mutilated during operations and repatriated and rallied soldiers.

## **6 - Acts of constitution of guarantees for the benefit of the tax administration relating to all taxes**

- ✓ Exemption from registration fees for all acts and writings relating to the constitution of guarantees and mortgages granted as security for the payment of taxes, duties and fees provided for by the CGI as well as for those relating to releases issued by the tax administration.

# COMMON MEASURES

## 1 - Tax incentive scheme for FIFA representations in Morocco and organizations affiliated with it

- ✓ Permanent total exemption from IS for all activities or operations in accordance with the statutory purpose, according to the legislation and regulations in force;
- ✓ Exemption from domestic and import VAT on goods, materials, merchandise, services and operations in accordance with their statutes;
- ✓ Exemption from IR on salary and similar income of non-Moroccan staff ;
- ✓ Exemption from withholding tax on income from shares, corporate shares and similar income, as well as on remuneration paid to non-residents;
- ✓ Exemption from registration and stamp duties, including for residence permits for representatives and employees.

## **2 - 70% reduction applied to the net capital gain realized on the sale of fixed assets**

- ✓ Extension until 2030 of the transitional measure provided for in Article 247-XXXV of the CGI, which allows a **70% reduction to be applied to the net capital gain** realized upon the sale of fixed assets
- ✓ Expanding the scope of the measure to land and buildings

## **3 - Withholding tax on income from shares, social shares and similar income**

- ✓ Modification of the rates provided for in article 247-XXXVII-C of the CGI:
  - 12.50%, for amounts distributed from January 1, 2025;
  - 11.25%, for amounts distributed from January 1, 2026;
  - 10.00%, for amounts distributed from January 1, 2027.

## **4 - Electronic notification**

- ✓ Clarification of the provisions of Article 219-II of the CGI , specifying that in addition to the usual forms of notification, notification may be made electronically, in accordance with the legislation and regulations in force and that this notification produces the same legal effects as the usual notification.

## **5 - Supervision of the amicable agreement procedure between the administration and the taxpayer**

- ✓ This agreement concerns questions of fact relating to the tax elements assessed by the administration and cannot in any case concern questions of law.
- ✓ The agreement is final and irrevocable.

## **6 - Tax-deductible depreciation allowances for passenger transport vehicles**

- ✓ Increase in the deductibility ceiling for vehicles (acquired directly or by way of leasing) passenger transport from 300,000 to 400,000 MAD including tax.

# Synergieexperts

conseil / expertise comptable / audit

