



Capital Gains Tax

Frequently Asked Questions “FAQs”



◆ 1 | Purpose of these FAQs

The purpose of these FAQs is to provide response to some frequently asked questions on Capital Gains Tax, helping a reader understand their compliance obligations and filing requirements under the Income Tax Law no. 24 of 2018 amended by Law no. 11 of 2022 (the “Income Tax Law”), the Executive Regulations of Law no. 24 of 2018 amended by Cabinet Decision no. 3 of 2023 (the “Executive Regulations”) and related implementing decisions.

◆ 2 | Disclaimer

The information contained in the FAQs is provided for general information purposes and must not be perceived as legal or tax advice. It is not legally binding on the General Tax Authority (“GTA”) or any other governmental body. The information reflects the interpretation of the applicable tax laws and implementing decisions as of the date of publication.

The FAQs are not intended to be comprehensive and does not provide a definitive answer in every case. It intended to clarify and assist a reader in understanding their compliance and reporting obligations with respect to capital gains in Qatar. They do not override, alter, or replace any provisions of the Income Tax Law, the Executive Regulations or related implementing decisions. Each person’s own specific circumstances should be considered.

Any future changes in the Income Tax Law, the Executive Regulations and related implementing decisions that have an impact on Capital Gains Tax compliance and reporting obligations would prevail over these FAQs.

These FAQs are subject to change without notice.

◆ 3 | CGT: Overview

Q1 | What is Capital Gains Tax (“CGT”)?

CGT is a tax imposed on the gain realised from the sale or disposal of capital assets—such as real estate, shares, or other tangible and intangible assets. Generally, a gain occurs when the sales proceeds exceeds the original purchase cost of the asset.

Only the net gain is subject to CGT in Qatar, not the total sale proceeds.

Q2 | What income is subject to CGT?

According to the Income Tax Law and of the Executive Regulations, gains arising from the sale or otherwise disposal of any of the following assets is subject to CGT in Qatar:

- a. Disposal of shares in an entity that is resident / registered in Qatar.
- b. Disposal of shares in an entity that is listed on the Qatar Stock Exchange (unless disposed of by non-Qatari investors – see [Q3] for further information).
- c. Disposal of real estate situated in Qatar that is related to the seller’s taxable business activity in Qatar.
- d. Disposal of property located outside of Qatar by a Qatari project, provided that the project does not conduct business in the foreign country through a permanent establishment and is not subject to tax in that foreign country.
- e. Disposal of any tangible or intangible assets that are related to the seller’s taxable business activity conducted in Qatar.

Q3 | What income is exempt from CGT?

According to the Income Tax Law and of the Executive Regulations, gains arising from any of the following cases are exempt from CGT in Qatar:

- a. Sale or disposal of real estate or securities by individuals if the assets disposed of are not part of a taxable business undertaken by the individuals.
- b. Revaluation of assets contributed as in-kind shares to a Qatari joint-stock company, if these assets have been held for at least five years.
(please refer to Section [7] for further questions related to CGT exemptions associated with the revaluation of assets conducted within same group restructuring transactions).
- c. Gains from a Qatari project on assets located outside Qatar, if the substantial activity requirements under the income Tax Law are met by the Qatari project.
- d. Profits earned by non-Qatari investors from trading securities and investment fund units listed on the Qatar Stock Exchange.
- e. Disposal of shares owned by Qatari or by nationals of Gulf Cooperation Council (GCC) countries who are residents in Qatar.

Note: Conditions apply. If not met, the exemption may be withdrawn and subject to CGT from the date of benefiting the capital gain tax exemption.

Q4 | Who is subject to CGT?

Both resident and non-resident individuals or entities are subject to CGT in Qatar when they derive gain from disposing of assets that are subject to CGT. Please see [Q1] and [Q2] for more information.

Q5 | What are the CGT rates in Qatar?

The tax rate is ten percent (10%).

Q6 | How to calculate the Capital Gains?

In accordance with the Executive Regulations, capital gains are calculated as follows:

- I. **Non-depreciable assets (e.g. land):** Value of consideration received or market value whichever is higher, less the cost of the asset.
- II. **Depreciable assets (e.g. plants and equipment):** Value of consideration received or market price, whichever is higher, less the net book value of the asset.
- III. **Real estate (except for depreciable real estate properties included in the taxpayer's balance sheet):** Selling price or market price, whichever is higher, less the cost of acquisition.
- IV. **Shares:** Selling price or fair value, whichever is higher, reduced by the consideration for the seller's share in the capital.

Q7 | Do capital losses exist?

Yes, capital losses do exist and may arise from a disposal of tangible and intangible assets. Such capital loss may be deductible provided that supporting documentation is maintained, in accordance with Article 16(4) of the Executive Regulations.

◆ 4 | CGT Filing, Reporting Requirements

Q1 | How do I report my Capital Gains to the GTA?

Capital gains are generally reported to the GTA as part of a taxpayer's annual income tax declaration. In some situations, a standalone CGT declaration would be required. See Q[2]: When is a standalone CGT declaration required to be submitted to the General Tax Authority for more information.

Q2 | When is a standalone CGT declaration required to be submitted to the General Tax Authority (GTA)?

A taxpayer is required to file a standalone CGT declaration (i.e. separate from an annual income tax return) to the GTA on gains arising from disposing of assets where such assets **are not included in the natural person's balance sheet or are owned by non-resident entities that do not have a permanent establishment in the State.**

As for capital gains arising from assets recorded in the balance sheet (in the case of resident companies, permanent establishments of non-resident companies, or natural persons carrying on taxable activity), such gains shall be declared as part of the annual Income Tax return, and no standalone CGT return is required.

Q3 | Who is responsible for submitting the standalone CGT declaration?

The seller is responsible for submitting the CGT declaration through the Dhareeba portal.

Q4 | What if a seller, who is responsible for submitting a standalone CGT declaration, is not registered with the GTA?

If a seller is not already registered with the GTA, the seller must first register with the GTA through the Dhareeba portal and complete the related CGT compliance obligations. See section 5 Q[1]: when is CGT due and payable for more information.

Q5 | Is registration with the GTA required for a buyer of shares in a company incorporated in Qatar?

If a buyer is not already registered with the GTA, the buyer must first register with the GTA through the Dhareeba portal in order to complete the share purchase / "No Objection Certificate" application process.

Q6 | Are tax-exempt Qatari individuals or entities required to submit a CGT declaration upon the sale of shares in Company registered in Qatar?

Yes, even if the seller is a Qatari individual or a wholly Qatari-owned entity that is exempt from tax under the Income Tax Law, they are still required to submit a CGT declaration. The submission is purely for reporting purposes only and does not result in any tax payment obligation.

Q7. What documents are required to be submitted to the GTA for CGT filing purposes?

Below are the documents that should be submitted to the GTA specially for taxable event cases, :

- Commercial registration of the company undergoing changes.
- Articles of the Association of the company undergoing changes.
- Minutes of the company's general assembly meetings of the company undergoing changes.
- Financial statements of the company undergoing shareholder changes, for the year and the three (3) years preceding the disposal.
- Sale Purchase agreement.
- Valuation report showing the value of the asset being disposed.
- Any other supporting documents required by the GTA.

Note: In relation to the supporting documents related to the tax benefit for the restructuring within the same group. Please refer to Section 7 Q[11] for details.

◆ 5 | CGT Deadline, Payment, Penalties and Disputes

Q1 | When is the CGT declaration due and payable?

A standalone CGT declaration is due to be submitted, alongside any CGT liability payable, to the GTA within 30 days from the date of concluding the contract or disposal of the relevant assets, whichever is earlier.

Capital gains reported in the annual income tax return are subject to the standard annual tax filing and payment deadlines, i.e. within four (4) months from the end of the tax year.

Q2 | What are the consequences if the submitted CGT declaration is not accurate?

The GTA may reassess the CGT liability based on available information. If the reassessment results in additional CGT payable, penalties may apply.

Q3 | What steps can a taxpayer take to dispute an assessment issued by the GTA that imposes additional CGT liability?

A taxpayer has the right to file an objection with the GTA within thirty (30) days from the date the assessment is issued. Failure to submit the objection within this period is deemed as acceptance of the assessment, and the tax liability becomes due and payable to the GTA.

If the GTA does not respond within sixty (60) days from the date of a taxpayer submitting an objection, the objection is considered rejected by the GTA.

Where the GTA rejects a taxpayer's objection, the taxpayer may file an appeal with the Tax Appeal Committee within thirty (30) days from either the date of notification of the GTA's decision or the lapse of the sixty (60) day period without a response.

◆ 6 | FAQ for CGT for Special Cases

Q1 | If a shareholder ownership percentage changes due to a capital increase in the company without any sale or transfer of existing shares, does this event trigger CGT?

No, provided that there is no actual sale or transfer of shares, a change in shareholding percentage resulting solely from a capital increase in a company does not trigger CGT liability nor an obligation to declare the event to the GTA.

This does not apply to cases where there is a capital increase as a result of revaluation, such as during listing in Qatar Stock Exchange transactions.

Q2 | In the context of a corporate restructuring, does the sale of shares by a shareholder in a Qatari-registered company to a Related Party outside Qatar trigger CGT?

Yes, the seller of the shares is required to file a CGT declaration and settle any tax due on any capital gains arising from the transaction, even if the transaction is conducted between two related parties.

Q3 | If a non-resident corporate shareholder in a Qatari-registered company sells its shareholding in the Qatari-registered company to a non-resident individual who also owns the non-resident corporate shareholder, does this transaction trigger CGT filing obligation?

Yes, the seller is required to submit a CGT declaration and settle any tax due on the capital gains arising from the sale of the shares, even if there is no change in the ultimate ownership of the Qatari-registered company.

Q4 | If a company registered with the GTA partially transfers its business activities to a newly established entity under a different tax regime within Qatar - such as QFC or QFZ - does this transfer triggers CGT?

Yes, the transfer of business activity between entities subject to two different tax regimes within Qatar constitutes Disposal of Assets, which triggers a CGT filing and liability settlement obligation on the company registered with the GTA.

Q5 | Can a Non-Resident claim relief from any CGT obligation under an applicable double tax treaty?

A non-resident seller may claim relief from any CGT liability under an applicable double tax treaty (where the tax treaty grants taxing rights to the State of residence). However, as the GTA provides such relief under a 'pay and refund' mechanism, the non-resident seller must first file a CGT declaration with, and pay the CGT liability in full to, the GTA by the required due date before filing a separate refund application (alongside the relevant supporting documentation) with the GTA.

◆ 7 | Capital Gains arising from Restructuring within the Same Group

Q1 | What is the effective date for the CGT exemption applicable to capital gains arising from qualifying restructuring transaction within the same group?

Restructuring transactions within the same group may benefit from the CGT exemption from the date of official publication of **Cabinet Decision No. (3) of 2026**, provided all the relevant applicable conditions are met.

Q2 | What types of restructuring transactions are covered under the CGT exemption under Cabinet Decision No. (3) of 2026?

The exemption applies to capital gains arising from the following intra-group restructuring transactions (provided the relevant applicable conditions are met):

- Asset exchanges
- In-kind contributions for equity
- Mergers or divisions
- Contributions to a holding company
- Restructuring for stock exchange listing

Q3 | Who can benefit from the CGT exemption on qualifying restructuring transactions within the same group?

To benefit from the CGT exemption, in addition to undertaking the restructuring transactions that fall within the scope of the exemptions (see Q[2] for a list of group restructuring transactions that may benefit from the CGT exemption), the transferor and transferee must meet all of the following conditions:

- Both are Resident in Qatar.
- Both are subject to the provisions of Qatar Income Tax Law and its Executive Regulations.
- Both are considered 'related parties' under International Accounting Standard 24 for at least 12 months before the group restructuring transaction.
- The transferor must own at least 75% directly or indirectly of the shares in the transferee, or both the transferor and the transferee must each be owned directly or indirectly at least 75% by the same parent company within the group. The 75% ownership threshold applies only to direct ownership at the first level, and does not need to be met for indirect ownership at lower levels within the group.
- Meet the relevant conditions following the restructuring transaction (see Q[4] for the ongoing post-transaction compliance).

Q4 | What conditions should be met to avail the CGT exemption on qualifying restructuring transaction within the same group?

In addition to undertaking the restructuring transactions that fall within the scope of the exemption (see Q[2] for a list of group restructuring transactions that may benefit from the exemption) and the transferor and the transferee meeting all of the relevant conditions, all of the following conditions must be satisfied:

- The transfer must have a real economic purpose and must not be undertaken solely for the purpose of avoiding tax.
- The transferor, transferee and the transferred assets (as applicable) must meet the relevant conditions following the restructuring transaction, including:
 - The transferor and transferee should remain 'related parties' (as defined under IAS 24) for at least two years after the Asset transfer.
 - The transferred Asset under internal restructuring or in-kind contributions must be retained by the transferee for at least two years after the transfer.
 - Shares issued in exchange for in-kind contributions must be at nominal value and cannot be transferred for two years.
 - Capital increases or contributions should be completed within the required timelines:
- **Mergers:** within two years from the year the exemption is claimed. Noting that Individual shareholders are not subject to the two-year requirement for capital increases.

- **Holding company contributions:** within the same year.
- **Stock exchange listings:** by the end of the following year following the exemption was claimed, unless the timeline is extended by the GTA upon request.

Q5 | Are multinational enterprise (MNE) groups eligible for the CGT exemption on qualifying restructuring transactions?

Yes, MNE groups may be eligible for the CGT exemption on qualifying restructuring transactions, provided they meet all of the following conditions:

- The MNE group is subject to the **Income Inclusion Rule (IIR)** or the **domestic top-up tax** in Qatar.
- The transfer of Assets and liabilities should be done for equity and carried out by the transferee or a Related Party, and in case of liquidation, through capital shares.
- If the transferred Assets are later sold, the resulting gains or losses must be calculated using the transferor's original (historical) Net Book Value.
- Proper records should be maintained to support the calculation of gain or loss based on the original value.

Q6 | What is the process of obtaining the CGT exemption?

The eligible entity that meets the relevant CGT exemption conditions is required to submit a formal CGT exemption application to the GTA with the relevant supporting documents.

Q7 | What is the process of submitting a formal CGT exemption application to the GTA?

The CGT exemption application is integrated into a CGT pre-filing form, which can be found on the Dhareeba portal.

A taxpayer seeking to submit a formal CGT exemption application can select the tax-exempt option and specifies the applicable basis for the exemption, and provide the required supporting documents. The request will be formally submitted in the Dhareeba portal for GTA's review and decision.

The GTA has 30 days to review a taxpayer's application for a CGT exemption.

Q8 | If the GTA issues a query during the 30-day review period for the CGT exemption application, what is the impact on the review timeline?

If the GTA requests additional information or clarification within the 30-day review period, the taxpayer is granted 30 days from the date of receiving the GTA's request to respond, and this respond period is excluded from the GTA decision timeframe.

The GTA review period is paused while the taxpayer responds to the additional information or clarification request, and the GTA review period will resume once the taxpayer provides the requested information.

Failure by the taxpayer to respond within the specified period may result in the GTA rejecting the exemption request.

Q9 | Who is required to submit the CGT exemption application request?

The transferor is required to submit the CGT exemption application.

Q10 | What are the consequences if any of the CGT exemption conditions are not met after the exemption has been granted?

If the conditions for the exemptions cannot be met, any capital gain arising from a group restructuring transaction purposes may become taxable in the year the restructuring transaction took place. Financial penalty for late payment of CGT may also arise.

Q11 | What are the supporting documents required to be submitted along with the tax exemption application for restructuring within the same group?

The following documents are required to be submitted along with the tax exemption application related to the restructuring purposes:

- Qatari residence permit for individuals.
- Commercial registrations of all resident companies involved in the restructuring project.
- Articles of association of the resident companies, to proof that they are related parties within the same group (involved in the restructuring project).
- Financial statements of the companies involved in the restructuring, for the financial year preceding the year of the exchange.
- Minutes of the general assembly approving the restructuring.
- Agreements (contracts) related to mergers, splitting, asset exchanges, or capital contributions, as applicable (in the case of restructuring).
- Valuation report indicating the value of the asset disposed.
- Any other supporting documents requested by the GTA.

◆ 8 | Pre-filing CGT Declaration Submission

Q1 | What is a Pre-filing CGT form?

It is a preliminary process whereby a taxpayer is required to submit a set of details as part of the overall CGT declaration. The pre-filing process ensures that key transaction details—such as exemption eligibility or asset valuation—are completed in advance, where the taxpayer has sufficient information necessary to determine the applicable CGT treatment and CGT due. Based on the taxpayer's input, he will be directed to fill in the relevant information based on the applicable treatment pertaining to the transaction.

Q2 | What is the link between the Pre-filing CGT form and the CGT exemption application request?

The exemption request must be made through the Pre-filing CGT form. Based on the taxpayer's input, an exemption application will be generated at the pre-filing stage.

Where the application is approved, the taxpayer will be prompted to submit the CGT declaration based on the exemption status. If the application is rejected, the taxpayer will be prompted to go through the non-exempt category of the CGT declaration filing.

◆ 9. FAQs for Valuation of Assets for Capital Tax Gain

Q1 | What are the valuation methods that Taxpayers can use to identify fair value of shares capital?

Taxpayers can use the following approaches:

- Market Approach – Based on observable market data, comparable transactions, or listed prices.
- Income Approach – Uses discounted cash flow or capitalization of earnings to estimate value.

- Net Asset Approach – Calculates equity value by subtracting liabilities from the fair value of Assets.
- Cost Approach – Considers replacement cost minus depreciation (mainly for specialized Assets).

Q2 | Does the GTA prescribe a valuation methodology?

While the GTA may have an expected approach to determine the value of an asset being disposed of based on each asset class, however the GTA also appreciates that such valuation methodology may vary depending on the nature of each asset and the specific taxpayer facts and circumstances. The GTA will therefore accept valuation determined using a methodology that appropriately reflects the relevant facts and circumstances and based on appropriate rationale and evidence.

Q3 | Are taxpayers required to conduct a valuation analysis for CGT purposes?

Yes, taxpayers are required to conduct valuation analysis for CGT purposes.

Q4 | What are the minimum details to be present in the valuation report?

The valuation report should at least include the following:

- Valuer details (name, address, contact)
- Purpose and basis of valuation
- Scope of work and assumptions
- Details of assets being valued
- Valuation assessment date
- Date report is issued

- Methodologies used and rationale
- Historical financials (last 3 years)
- Reconciliation between valuation approaches
- Final valuation conclusion

Q5 | Who can prepare the valuation analysis report?

- Internal management of the company, or
- External qualified valuers, experts, or professionals

Q6 | Can multiple valuation approaches be used in one report?

Yes, taxpayers may use multiple valuation approaches in one report with appropriate rationale and evidence.

Q7 | What is the year to be considered when determining the fair value of equity?

The fair value should be determined as of the date of the contract or the asset disposal date (whichever is earlier).

Q8 | What are the consequences if the GTA disagrees with the valuation provided by the taxpayer?

The GTA has the right to reassess the valuation of the assets as it deems appropriate and issue a tax assessment, including necessary adjustments and reasons for such amendments.

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