



TAXPAYER GUIDE

Regarding the Capital Gains Tax



Table of Contents

1	Purpose of this Guide	04
2	How to use this Guide	04
3	Disclaimer	04
4	Application of CGT In Qatar	08
4.1	Legal Framework and Governance	08
4.2	CGT Applicability and Scope	08
5	CGT Rates	14
6	Tax Exemptions Related to Capital Gains Exemption for Corporate Restructuring	14
6.1	Scope of Exemption	14
6.2	Conditions for Benefiting from the Capital Gains Exemption for Corporate Restructuring	15
6.3	Post-Transaction Compliance Requirements	16
6.4	Application and Approval Process for Tax Exemption	18
6.5	Supporting Documents for the Capital Gains Exemption for Corporate Restructuring	19
7	Valuation for CGT Purposes	20
7.1	Key Terms for valuation	20
7.2	Fair Value	21
7.3	Related Party Transactions	26

Table of Contents

8.	Computation Mechanism of Capital Gain	26
8.1	Non-Depreciable Assets	26
8.2	Depreciable Assets	27
8.3	Real Estate Owned by Non-Residents	28
8.4	Shares	29
9.	Reporting and Other Administrative Obligations	30
9.1	Reporting of Capital Gain	30
9.2	Submission of Standalone CGT Declaration to the GTA	30
9.3	Pre-Filing of CGT [declaration]	30
9.4	CGT Declaration Filing and Payment Obligations	32
9.5	CGT Declaration Submission – Tax Exempt Taxpayers and transactions	32
9.6	Joint and several liability	32
9.7	CGT Supporting Documents	33
9.8	Late filing of CGT declaration and late payment of CGT liability	33
9.9	No Objection Certificate (NOC) process	34
10	CGT - Double Tax Agreements Relief	35
11	Contact Information	36
12	Appendix A	37

◆ 1 | Purpose of this Guide

The purpose of this Guide is to provide guidance for taxpayers in respect of the taxation of Capital Gains under the Income Tax Law no. 24 of 2018 as amended by Law no. 11 of 2022 (the “Income Tax Law”), the Executive Regulations of Law no. 24 of 2018 as amended by Cabinet Decision no. 3 of 2023 (the “Executive Regulations”) and related implementing decisions.

◆ 2 | How to use this Guide

The Guide sets out how Capital Gains will be computed and taxed under the Income Tax Law and the Executive Regulations.

◆ 3 | Disclaimer

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

This Guide is not intended to be comprehensive in nature and does not provide a definitive answer in every case. It is intended to clarify and assist a reader in understanding their compliance and reporting obligations with respect to capital gains in Qatar. This Guide does not override, alter, or replace any provisions or requirements of the Income Tax Law, the Executive Regulations nor the related implementing decisions. Each person’s own specific circumstances should be considered.

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

In applying published tax procedures and guidance in Qatar, the effect of subsequent legislation, regulations, court decisions, and implementing measures.

This document is subject to change without notice.

◆ Glossary

The following section aims to provide a glossary of terms and/or the GTA's interpretation of any terms and concepts mentioned in this Guide:

Capital Gains: the gains realised from Disposal of an Asset.

Capital Gains Tax (CGT): the income tax imposed on gains derived from the Disposal of an Asset.

Taxpayer: every natural or legal person or any other entity obliged to pay tax or perform other duties stipulated by the Income Tax Law, the Executive Regulations and the related implementing decisions.

Target Entity: a company incorporated in Qatar whose ownership structure is subject to change due to the transfer/sale or re-organisation of its shareholders.

Multinational Enterprise: a company that owns or controls production, services, or assets in more than one country, typically operating through subsidiaries or branches, and is subject to international tax and regulatory frameworks.

Asset: singular of assets - all assets, whether tangible, intangible, movable or immovable, situated in Qatar, excluding personal use assets, trading stock.

Tangible Asset: physical asset that can be seen or touched such as real estate, machinery, or equipment that can be used in business operations.

Intangible Asset: non-physical asset such as patent, trademark, goodwill, or software that holds value and that can be used in business operations.

Cost Base: the cost incurred in relation to the acquisition of an Asset, including agents commission, valuation fees, transfer fees and any subsequent additions to the Asset less any amount that has qualified as a deduction previously.

Disposal: refers to any legal act effecting the transfer of ownership by way of sale, transfer, cancellation or the variation of a right and relinquishment of such a right. An Asset will be regarded as disposed of when all the legal requirements in respect of such a disposal, if any, have been completed.

Immovable Property: real estate, including buildings and lands, and property rights, including rights to payments for the exploitation of natural resources and related rights and/or buildings situated in Qatar.

Personal Use Assets: an asset held primarily for personal enjoyment, consumption, or domestic use (e.g., home, car, furniture, jewellery, collectibles) and are not acquired or used for business, income-producing, or investment purposes.

Proceeds/Consideration: the amount received or accrued in respect of and in connection with the disposal of an Asset, less any amount that has been included in gross income previously.

Arm's Length Principle: the principle under which transactions between related entities are recorded by reference to the terms that would have been obtained between independent enterprises in similar transactions and under similar circumstances.

Project: any work that generates income or profit.

Qatari Project: a Project that is managed by a Resident in the State of Qatar.

Foreign Tax: income tax actually paid to a foreign country.

Permanent Establishment (PE): a fixed place of business through which the Project conducts its activities, wholly or partially.

Resident: every individual who has a permanent home available to him in the State of Qatar, or who has stayed in the State of Qatar continuously or intermittently for more than one hundred eighty-three (183) days in the year, or who holds Qatari nationality, and any entity that has its place of establishment in the State of Qatar, provided that its main and actual place of management and control is in the State of Qatar.

Non-Resident: an individual or entity that does not have their centre of vital interests in the State of Qatar and does not maintain a Permanent Establishment which is subject to tax on income from sources within the State of Qatar.

Related Party: an entity or individual that has direct or indirect control, ownership, or influence over another entity's financial or operational decisions. This includes relationships such as parent companies, subsidiaries, affiliates, and individuals with significant ownership influence or management roles.

Net Book Value: means the asset's cost base after deducting any accumulated depreciation and impairment charges.

◆ 4 | Application of CGT in Qatar

4.1 | Legal Framework and Governance

CGT in Qatar is administered by the GTA and is governed by the Income Tax Law, the Executive Regulations and the relevant implementing decisions issued by the GTA.

4.2 | CGT Applicability and Scope

4.2.1 | Taxable Events

Disposal of any of the following Assets is considered a taxable event for CGT purposes¹:

- I. Disposal of shares or other ownership rights in an entity that is Resident or registered in the State of Qatar;
- II. Disposal of shares or other ownership rights in an entity that is listed on the Qatar Stock Exchange;
- III. Disposal of real estate situated in the State of Qatar that is used to conduct a taxable business activity;
- IV. Disposal of property abroad by a Qatari Project, provided that the Qatari Project does not conduct business in the foreign country through a Permanent Establishment and is not subject to tax in that foreign country; or
- V. Sale or otherwise disposal of any tangible or intangible assets related to a business activity conducted in the State of Qatar.

Section 8 below provides further details on how Capital Gains are calculated in relation to taxable events.

Example 1

A Non-Resident shareholder, Global Ltd., holds 30% shares in a Qatari limited liability company, ABC LLC. In 2025, Global Ltd. decides to sell its entire shares in ABC LLC to another foreign investor.

Is this a taxable event for CGT?

As ABC LLC is a Resident and registered entity in the State of Qatar, the Disposal of the shares in ABC LLC by Global Ltd. is a taxable event for CGT purposes in the State of Qatar.

Example 2

A Qatari-registered manufacturing company owns a large industrial machine used in its production line. After several years of use, the company decides to sell the machine to another Qatari-registered entity.

Is this a taxable event for CGT?

As the sale of the machine constitutes a Disposal of a Tangible Asset directly associated with the Qatari Resident company's business activity conducted within the State of Qatar, the Disposal is a taxable event for CGT purposes in the State of Qatar.

Example 3

Mr. Ahmed is a Resident individual in Qatar. He owns a personal vehicle, collection of jewellery and a private residence where he and his family live. None of these Assets are used in connection with any business activity, nor are they held as part of a business or for investment purposes.

Mr. Ahmed decides to sell all the above Assets.

Is this a taxable event for CGT?

The sale of Personal Use Assets that are not used in business activities are not considered as a taxable event for CGT purposes in the State of Qatar.

¹ Article (3) of the Income Tax Law and Article (5) of the Executive Regulations

4.2.2 | Tax Exempt Events

Subject to the double taxation agreements concluded by the State of Qatar and in force, capital Gains arising from the following transactions are exempt from income tax or capital gains tax in the State of Qatar², as applicable:

- I. Sale or disposal of real estate or securities by a natural person, provided that the Assets disposed are not part of a taxable business activity.
- II. Revaluation gain on company Assets that is contributed as in-kind shares to the capital of a Resident joint-stock company, provided the corresponding share value is nominal and the shares are not disposed of within five years of the revaluation.

Note: If the shares are sold within the five-year window, the gain arising from the revaluation of company Assets will be subject to tax in the year of revaluation.

Please refer to section 6 for further details on CGT exemptions applicable to Asset revaluations carried out as part of restructuring transactions within the same group.

- III. Capital Gains realised by a Qatari Project from selling or otherwise disposing of the following:
 - a. Immovable Property located outside the State of Qatar.
 - b. Movable property that is part of the Assets attributable to a PE of the Qatari Project outside the State of Qatar.
 - c. Shares or other rights in a foreign company

Note: To avail for the exemptions, the Qatari Project must:

1. pay tax abroad on the capital gains; and
2. meet, as applicable, the substantial activity requirements as specified in the Income Tax Law, the Executive Regulations and the related implementing decisions.

For more details on the substantial activity requirements under the Income Tax Law and the Executive Regulations, please refer to Appendix B of this Guide.

IV. The non-Qatari investor's share in Proceeds from selling or otherwise disposing of all securities listed on the financial markets in the State of Qatar, including units of any investment funds listed on the financial markets in the State of Qatar.

V. V. Disposal of shares owned by Qatari or by nationals of Gulf Cooperation Council (GCC) countries who are residents in Qatar.

² Article (4) of Income tax Law and Article (2) of the Executive Regulations

Example 4

A company resident in Qatar, AI Holdings, has a PE in that is subject to taxation under the UAE's Tax Law. The PE owns a warehouse and a fleet of delivery vehicles which are used in the PE's business operations. After several years, AI Holdings decides to sell the warehouse and vehicles to another logistics company in the UAE.

Is this a taxable event for CGT?

Under Article 4 of the Income Tax Law, the Capital Gains realised from the sale of Immovable Property located outside the State of Qatar and movable property which is part of the Assets of a Qatari Project outside Qatar are exempt from tax in the State of Qatar, provided the Qatari Project is subject to tax abroad on Capital Gains realised from Disposal of these assets and meets the substantial activity requirements under Article 34(4 Bis) of the Income Tax Law.

On this basis, any gain arising from the Disposal of the warehouse and the fleet of delivery vehicles may be exempt from tax in Qatar provided all the following are met:

- AI Holdings is considered to be a "Qatari Project" for the purposes of the Income Tax Law;
- The Assets being sold (the warehouse and vehicles) are attributable to AI Holdings' PE in the UAE and is subject to tax in the UAE; and
- AI Holdings meets the substantial activity requirements under Article 34(4 Bis) of the Income Tax Law.

Example 5

A Qatari Project, Company AAC, owns an office building located in Doha, Qatar. After several years, Company AAC decides to sell the building.

Is this a taxable event for CGT?

Since the office building is located within Qatar, the CGT exemption does not apply. The Disposal is therefore a taxable event for CGT purposes in the State of Qatar.

4.2.3 | Taxability of Business Merger/Acquisition and Division

Capital Gains arising from the Disposal of shares in Resident companies in the State of Qatar as part of a company merger or division are subject to tax³, except where the conditions under Ministerial Decision No. (3) of 2026 related to the tax benefits for capital gains arising from group restructuring are met and the transaction is treated as a qualifying business restructuring transaction.

Please refer to section 4.2.2 and section 6 of the Guide for further information

³ Article (4) of the Income Tax Law and Article (4) of the Executive Regulations.

4.2.4 | Application of CGT to Non-Residents

CGT applies equally to Non-Residents. In other words, to the extent that a Non-Resident individual or entity derives income from the sale or otherwise Disposal of shares of an entity registered in Qatar, or Assets located in Qatar that form part of a taxable business activity conducted by that Non-Resident individual or entity in the State of Qatar, such income would be subject to tax in Qatar.

Relief from such taxation may be available under an applicable double tax treaty between the State of Qatar and the country of residence of the non-resident individual or legal person, provided that the tax treaty grants taxing rights to the State of residence. Please refer to Section 10 for further information.

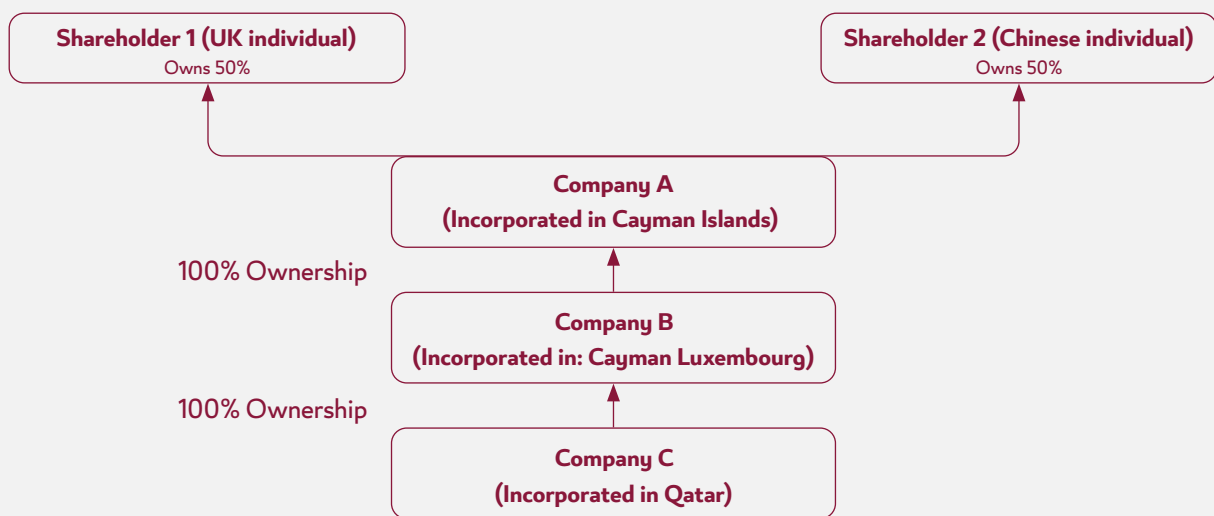
4.2.5 | Application of CGT on Direct and Indirect Transfers of Shares of a Qatari Company by Residents/Non-Residents

Capital Gains tax in Qatar applies only to the direct transfer of shares of a Qatari company by either resident or non-resident shareholders. Indirect transfers—where the parent company's ownership changes but the Qatari company's direct ownership shares percentage, and commercial registration remain the same—are not subject to CGT.

Example 6

Company A is a company incorporated in the Cayman Islands. It owns 100% of Company B, a company incorporated in Luxembourg. Company B, in turn, directly owns 100% of the shares in Company C, which is a company incorporated and registered in Qatar.

Company A, B and C are Residents in the Cayman Islands, Luxembourg and Qatar respectively.



Shareholders 1 and 2 sell their shares in Company A to a third party. While the direct ownership and registration of Company C has not changed because of this transaction, there has nevertheless been an indirect transfer of ownership in Company C.

Since there is no change in the direct ownership of Company C, this transaction is not a taxable event for CGT purposes in Qatar.

However, where Company B sells its shares in Company C to another party and causes a change in Company C's direct ownership, this will be a taxable event for CGT purposes in Qatar.

◆ 5 | CGT Rates

The tax rate is ten percent (10%), whereas capital gains arising from the sale or otherwise disposal of assets used in petroleum and petrochemical activities are subject to tax in accordance with the relevant agreements.

◆ 6 | Tax Exemptions Related to Capital Gains Exemption for Corporate Restructuring

6.1 | Scope of Exemption

Ministerial Decision No. (3) of 2026 related to the tax benefits for capital gains arising from group restructuring - GTA to include outlines certain business restructuring transactions that may be exempt from capital gains tax provided the relevant conditions are met. These include:

- a. **Internal Asset Exchanges:** Transfers within the same group for operational or structural realignment between group entities in Qatar.
- b. **In-Kind Contributions:** Revaluation of Assets contributed to another Resident company in exchange for shares.
- c. **Mergers and Divisions:** Asset Disposals during corporate mergers or splits.
- d. **Holding Company Contributions:** Transfers made to increase capital in a Resident holding company.
- e. **Stock Exchange Listings:** Asset Disposal aimed at preparing for public listing on the Qatari stock exchange.

6.2 | Conditions for Benefiting from the Capital Gains Exemption for Corporate Restructuring

To benefit from the exemption, the entities involved in the relevant business restructuring transaction must meet all the following conditions:

- 1. Residency:** Both the transferor and the transferee must be Residents of Qatar.
- 2. Tax Status:** Both the transferor and the transferee must be subject to Income Tax Law No. (24) of 2018 and its Executive Regulations with its amendments.
- 3. Group Relationship:** Both the transferor and the transferee must be considered 'related parties' under International Accounting Standards (IAS) for at least 12 months prior to the transfer.
- 4. Ownership Threshold:** 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.
- 5. Purpose of the Restructuring:** The transaction must serve a legitimate business purpose and is not undertaken solely for the purposes of avoiding tax.
- 6. Ongoing Post-Transaction Compliance:** The transferor and transferee should meet the relevant conditions following the restructuring transaction.

⁴ Article (9) of the Income Tax Law

⁵ Under IAS 24, related parties are entities or persons that has control, joint control, significant influence over the reporting entity, or are part of key management, and must be disclosed when relationships or transactions occur. It also includes entities that are controlled, jointly controlled, or significantly influenced by such persons, as well as entities within the same group (such as parent, subsidiaries, and fellow subsidiaries).

6.3 | Post-Transaction Compliance Requirements

CGT exemption for qualifying restructuring transactions is available provided all of the following conditions (as relevant) are met:

1. The transferor and the transferee must remain **related parties** (as defined under IAS 24) **for at least two years** after the asset transfer.
2. The transferred asset under internal restructuring or in-kind contributions **should be retained by the transferee for at least two years** after the transfer.
3. Shares issued in exchange for in-kind contributions must be at nominal value and **cannot be transferred for two years**.
4. For mergers, any capital increase should be completed **within two years** following the year the capital gains tax exemption was claimed. Noting that capital increase made by individual shareholders are not subject to the two-year requirement.
5. For holding company contributions, it should be completed **within the same year**.
6. For stock exchange listing, it should be completed **by the end of the following year** after the capital gains tax exemption was claimed. This period may be extended by a GTA decision (following a successful application) based on a resolution from the Qatar Financial Markets Authority.

Failure to meet these conditions may result in the Capital Gains becoming taxable in the year that the business restructuring transaction took place.

Example 7

Company A, a Qatari Resident company, has owned 90% of the shares in Company B, another Qatari Resident company since 2020. Both companies are subject to Income Tax Law No. (24) of 2018 and its Executive Regulations with its amendments.

During 2025, Company A transfers a warehouse to Company B in exchange for additional shares in Company B.

Application of the CGT Exemption:

As both companies are Resident in Qatar and are considered to be 'related parties' under IAS 24, the transaction may qualify for CGT exemption on the transfer of assets within the same group, provided all of the following conditions can be met:

- Both Company A and Company B are subject to the Qatar Income Tax Law No. (24) of 2018 and its Executive Regulations with its amendments.
- The transaction is for a legitimate business purpose, and is not undertaken solely for the purposes of avoiding tax.
- Company A and Company B remain 'related parties' and retain ownership of the transferred asset for at least two years after the transfer.

Example 8

Company P, a Qatari Resident company, owns 90% of the shares in Company Y and Company Z (both Qatari Resident companies). Company Z plans to merge with Company Y as part of business rationalisation exercise.

Application of CGT Exemption:

Since Company Y and Z are Resident in Qatar and are considered 'related parties' under IAS 24, as the companies meet the ownership requirement (each being at least 75% owned by Company P), the merger may qualify for CGT exemption, provided all of the following can be met:

- Prior to the merger transaction, both Company Y and Company Z are subject to the Qatar Income Tax Law No. (24) of 2018 and its Executive Regulations with its amendments.
- The transaction is for a legitimate business purpose, and is not undertaken solely for the purposes of avoiding tax.
- Any increase in capital required for merger is completed within the prescribed period, i.e. within two years following the year in which the CGT exemption was claimed.

Example 9

Company Q (incorporated and Resident in Qatar) owns 100% of the shares in Company S (incorporated and Resident in UAE). Company Q transfers a real estate located in Qatar to Company S as part of a group restructuring process between resident and non-resident companies.

Application of Exemption:

As Company S is not a Qatari Resident, the transaction is not eligible for CGT exemption.

6.4 | Application and Approval Process for Tax Exemption

Entities eligible for the CGT exemption are required to apply and obtain approval from the GTA through the Dhareeba system to avail this exemption. The exemption request is incorporated within the CGT pre-filing form (referred to section 9.3 below for more information).

The GTA has thirty (30) days to respond to the taxpayer. If no response is issued within this period, the request is deemed to be approved by the GTA. In any event, the GTA retains the right to assess and revoke the exemption approval if the GTA later determines that the required conditions to claim the exemption were not fulfilled.

In case the GTA requests additional information or clarification during the thirty (30)-day consideration period, the taxpayer is granted thirty (30) days from the date of receiving the GTA's request to respond, and this response period is excluded from the GTA's decision timeframe. Failure by the taxpayer to respond within the specified period may result in the rejection of the exemption request. The GTA review period is paused while the taxpayer responds to the clarification request, and the review period will resume once the taxpayer provides the requested information.

6.5 | Supporting Documents for the Capital Gains Exemption for Corporate Restructuring

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

- Qatari Residence ID 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.

6.6 | Special Provisions for Multinational Enterprise (MNE) Groups

The general conditions for CGT exemptions outlined under sections [6.2 and 6.3] above do not apply to MNE Groups subject to the **Income Inclusion Rule** or **domestic top-up tax** in Qatar. These MNE Groups may be eligible for CGT exemption in Qatar provided all of the following conditions are met:

- The transfer of assets and liabilities is required to be done in exchange for equity shares and carried out by the transferee or a related party. In the case of liquidation, the transfer must occur through a capital share in the receiving entity.
- If the transferred assets are later sold, the resulting gain or loss must be calculated using the original (historical) net book value from the transferor.
- Proper records should be maintained to support the calculation of gain or loss based on the original value.

◆ 7 | Valuation for CGT Purposes

7.1 | Key Terms for Valuation

a. Assets

The term 'Asset' in this Guide referred to Assets the Disposals of which would trigger CGT in Qatar. Non-exhaustive examples of an 'Asset' in this context include:

- Tangible assets such as business assets
- Intangible assets such as copyright, trademark
- Shares, stocks, financial instruments and other investments
- Real estate – including land, buildings and properties
- Future economic benefits such as goodwill
- Other assets used to derive taxable income

b. Disposal

The term 'Disposal' in this Guide refers to an event through which ownership of an Asset is transferred from the transferor to the transferee. The following are non-exhaustive examples of Disposal:

- Sale or otherwise transfer of an Asset
- Give away of an Asset
- Exchange of an Asset for another Asset
- Elimination or scrapping an Asset
- Contributing an asset as capital to another company

For CGT purposes, a Disposal includes a partial Disposal.. For example, a Taxpayer may dispose part of its ownership interest in a company registered in Qatar and such event could trigger CGT Considerations in Qatar.

7.2 | Fair Value

7.2.1 | Introduction

This Guide provides an overview of the GTA's expectations on fair value for CGT computation purposes set under the Income Tax Law, the Executive Regulations and the associated implementing decisions. This Guide clarifies what fair value means for tax purposes and provides information that is generally expected by the GTA to support a valuation.

7.2.2 | Definition of 'Fair Value' for Tax Purposes

For tax purposes, and in accordance with the Income Tax Law and its Executive Regulations , taxpayers are required to determine their taxable income using accrual accounting principles aligned with International Accounting Standards, while also complying with the specific provisions outlined in the Law and Regulations.

The International Accounting Standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

For the purposes of determining the fair value of an Asset being disposed of for CGT purposes, a taxpayer is required to consider the fair value as of the date of the contract or the Asset disposal date (whichever is earlier), and the Capital Gain is reported in the tax year in which that Disposal occurs, or contract is concluded. If there is a delay in reporting the Capital Gain to the GTA - due to administrative delays, or other reasons - the fair value at the date of disposal remains the relevant value for tax purposes. The time difference between the disposal date and the reporting date does not change the fair value or the tax year in which the gain should be subject to tax in Qatar.

market participants at the measurement date (an exit price).

For the purposes of determining the fair value of an Asset being disposed of for CGT purposes, a Taxpayer is required to consider the fair value as of the date of the contract or the Asset Disposal date (whichever is earlier), and the Capital Gains are reported in the tax year in which that Disposal occurs, or contract is concluded. If there is a delay in reporting the Capital Gains to the GTA - due to administrative delays, or other reasons - the fair value at the date of Disposal remains the relevant value for tax purposes. The time difference between the Disposal date and the reporting date does not change the fair value or the tax year in which the gain should be subject to tax in Qatar.

Example 10

Dana owns shares in a private company registered in Qatar, which were bought in 2020. In June 2025, she sells her shares, triggering a CGT event in Qatar.

For CGT calculation purposes, Dana should determine the fair value of the shares as of June 2025 – the year in which the CGT event occurs and for which she is required to file a 2025 CGT declaration.

7.2.3 | Who can determine Fair Value

- I. Company management
- II. External qualified valuers, experts or professionals

7.2.4 | Valuation Approaches

The valuation approach is the methodology chosen to identify the value of an Asset. A Taxpayer has the following valuation approaches to determine the fair value:

- 1. The Market Approach** – Determines the fair value of an asset by referencing observable market data, including prices from recent transactions and comparable assets and current listings during the valuation period.
- 2. The Discounted Cashflow/Income Approach** – A forward-looking valuation technique that estimates the intrinsic value of an asset by discounting its future expected cash flows to present value, profit or revenue basis.
- 3. The Net Asset Approach** – Estimating the equity value of a business by determining the fair value of its assets and liabilities, then subtracting the total fair value of liabilities from the total fair value of assets, taking into account the special treatment of the partners' current account. Moreover, asset values may be determined using the **Cost Approach**, which considers replacement cost minus depreciation and obsolescence.

7.2.5 | General Guidance on the Valuation methodology

The general guidance on valuation methodologies refers to the expected for determining the value of each asset class being disposed. It is important to note that this does not represent the sole methodology applicable to each asset class, but rather, serves as guidance on the general expectation of the GTA. The GTA appreciates that a valuation methodology may vary depending on the nature of each asset type and the specific facts and circumstances and will therefore accept a valuation that is undertaken using an alternative approach provided appropriate rationale and evidence is given.

Asset Class

General guidance on valuation methodology

Tangible Assets: Plant and equipment

- Market approach - used when an active secondary market exists
- Net asset approach – used when the asset has a readily determined market value and is part of an asset-heavy entity - company's value is primarily in its tangible assets
- Cost approach - applied when no observable market data is available, particularly for specialized or custom-built assets

Tangible Assets: Land and real estate

- Market approach - applied where comparable sales data exists for similar properties
- Income approach - appropriate for income-generating real estate (e.g., commercial, leased assets), using direct capitalization or discounted cash flow methods
- Cost approach - may be used for special-use properties or where market/income data is limited

Intangible Assets: E.g. patent, brand, trademark

Income approach - most appropriate where the asset generates quantifiable future economic benefits

Goodwill

The process of assigning the purchase price (from a market or income approach) to identifiable assets and liabilities at fair value, with the residual recognized as goodwill.

Market approach - used to estimate the total business value based on comparable company or transaction multiples; if the purchase price exceeds the fair value of net identifiable assets, goodwill is derived

Income approach - applies discounted cash flow or similar techniques to determine enterprise value; any excess over the fair value of net assets becomes goodwill

Listed shares/stocks, financial instruments, other listed investment

Market approach - based on observable prices in active, liquid markets. Adjustments may be made for control or liquidity premiums/discounts if necessary

Unlisted shares, stocks, financial instruments, other private investment

- Income approach - preferred when reliable financial forecasts are available (e.g., discounted cash flow or capitalized earnings)
- Market approach - may be used via comparable company analysis or precedent transactions, subject to availability of reliable comparables

7.2.6 | Valuation Report

A valuation report submitted to the GTA shall, at a minimum, cover the following information:

- Valuer details (i.e. Company name, address, contact details)
- The purpose and basis of the valuation
- Scope of work and assumptions
- Details of assets being valued
- The valuation assessment date
- The date the report is issued
- Valuation approaches and methodologies chosen, including reasons for selection and any assumptions
- Financial Information – provide historical financials related to the assets:
 - Analysis of historical financial information and normalization adjustments for the last three years
- Reconciliation and cross checks between valuation approaches.
- Valuation conclusion

If the above information is not included in the valuation report in sufficient detail, the GTA has the right to request additional details on the taxpayer's valuation and may reassess the value of the Assets to the extent it deems appropriate.

7.3 | Related Party Transactions

7.3.1 | Arm's Length Principle

All transactions between related parties should be conducted at arm's length, meaning the terms and conditions should be similar to those that would apply between unrelated parties.

If a transaction is not at arm's length, the GTA may adjust the transaction value to reflect an arm's length price.

7.3.2 | Notes for Consideration for Related Party Transactions

When engaging in Related Party transactions, it is important to:

- Ensure the transaction is conducted at arm's length.
- Maintain proper documentation to support the transaction's value and its compliance with the arm's length principle, including comparable sales of assets with similar nature and technical characteristics, taking into account the year in which the asset is disposed, and transactions conducted between independent, unrelated parties.
- Be aware that the tax authorities may adjust the transaction value to reflect an arm's length price.

◆ 8 | Computation Mechanism of Capital Gain⁸

The capital gains arising from Disposal of Tangible and Intangible Assets are calculated as follows:

8.1 | Non-Depreciable Assets

CGT is calculated based on the higher of the Consideration received or fair value, reduced by the cost of the Asset.

Example 11

Asset Type: Land

In 2018, Company Z, a company incorporated and registered in, acquired a plot of land in Qatar for QAR 800,000 for future business use. Company Z does not operate in the petrochemical industry.

The land was capitalised and included on Company's Z balance sheet in the year of acquisition.

In 2025, Company Z decides to sell the land to a Qatari Company as part of a divestment strategy at a market price of QAR 1,200,000.

Since the land is used (or intended for use) in connection with Company Z's business activity in Qatar, the transaction is a taxable event in Qatar and CGT is applicable on any gain derived by Company Z from the sale of the land.

The amount subject to CGT is calculated as follows:

- Selling Price / Market Value: QAR 1,200,000
- Cost of Asset (where the asset – land – is non depreciable in nature): QAR 800,000
- Amount subject to CGT: $QAR\ 1,200,000 - QAR\ 800,000 = QAR\ 400,000$

8.2 | Depreciable Assets

CGT is calculated based on the higher of the value of Consideration received or market price, reduced by the Net Book Value.

The Net Book Value is determined by the difference between the Asset acquisition cost and the tax accumulated depreciation at the end of the year.

⁸ Article (5) of the Executive Regulations

Example 12

Asset Type: Tangible Asset

In March 2025, QTech Innovations, a company registered and operating in Qatar, decided to upgrade its office infrastructure. As part of this initiative, the company sold a batch of used IT equipment that had been in use for several years. QTech does not operate in the petrochemical industry.

The equipment was originally purchased in 2021 for QAR 300,000 and had been capitalized on the company's balance sheet.

In April 2025, QTech sold the equipment to a local reseller for QAR 120,000. The accumulated tax depreciation by the end of the year on the equipment amounted to QAR 220,000.

Since the equipment is used in connection with QTech's business activity in Qatar, the transaction is a taxable event in Qatar and CGT is applicable on any gain derived by QTech from the sale of the equipment.

The amount subject to CGT is calculated as follows:

- Original Purchase Cost: QAR 300,000
- Tax Accumulated Depreciation: QAR 220,000
- Net Book Value of the equipment = QAR 300,000 – QAR 220,000 = QAR 80,000
- Sale Proceeds = QAR 120,000
- Amount subject to CGT = QAR 120,000 – QAR 80,000 = QAR 40,000

8.3 | Real Estate Owned by Non-Residents

CGT is calculation based on selling price or market price, whichever is higher, reduced by the cost of acquisition.

Example 13

Company (A), is a non-resident entity in Qatar who owns a commercial building in Qatar, which was purchased in 2024 for QAR 4,000,000 for investment purposes.

In 2025, the entity sold the property for QAR 5,000,000, where the building market value at point of sale was QAR 4,800,000.

Whilst Mr. A is not a Qatari Resident nor engages in business activities in Qatar and does not have PE in Qatar, given the asset being disposed of is a property located in Qatar, the transaction is a taxable event in Qatar and CGT is applicable on any gain derived by Company A from the sale of the property. The CGT is calculated as follows:

- Acquisition cost: QAR 4,000,000
- Sale price: QAR 5,000,000 and market price: QAR 4,800,000
- —> Capital Gain is determined based on the higher of the sale price or [market] price, being QAR 5,000,000
- Capital Gain = QAR 5,000,000 – QAR 4,000,000 = QAR 1,000,000
- CGT at 10% = QAR 1,000,000 x 10% = QAR 100,000

8.4 | Shares

CGT is calculation based on the higher of the selling price or fair value, reduced by the consideration for the seller's share in the capital.

Example 14

Asset Type - Shares in a non-listed company in Qatar

In 2018, Mr. X, a non-Qatari Resident individual, purchased 1,000 shares in Company A W.L.L., a non-listed company registered in Qatar, at a price of QAR 200 per share, for a total consideration of QAR 200,000. Company A is engaged in providing construction and engineering services.

In April 2025, Mr. X entered into an agreement to sell his 1,000 shares in Company A to a new investor (a Qatari Resident individual) for QAR 350 per share.

Based on the above, the CGT is calculated as follows:

Purchase/consideration in the share capital: 1,000 shares at QAR 200 per share

—> Purchase Cost = 1,000 × QAR 200 = QAR 200,000

Sell 1,000 shares at QAR 350 per share

—> Sale Proceeds = 1,000 × QAR 350 = QAR 350,000

Capital Gain = QAR 350,000 – QAR 200,000 = QAR 150,000

CGT at 10% = QAR 150,000 x 10% = QAR 15,000

◆ 9 | Reporting and Other Administrative Obligations

9.1 | Reporting of Capital Gains

Capital Gains are generally reported to the GTA in two ways:

1. As part of the taxpayer's annual income tax declaration of the resident taxpayer subject to income tax.
2. In certain cases, through a standalone CGT declaration.

9.2 | Submission of Standalone CGT Declaration to the 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.**

9.3 | Pre-Filing of CGT Declaration

9.3.1 | CGT Pre-Filing Form Requirement

A Taxpayer who is required to file a separate CGT declaration is first required to complete a CGT pre-filing form before submitting their official CGT declaration on the Dhareeba system. This process ensures valuation information of the disposed Asset is shared with the GTA prior to completing the CGT declaration, and helps the GTA to verify valuation methodology information and evaluate whether exemption may be available

The pre-filing form does not constitute a separate filing submission of the CGT declaration; instead, it facilitates the taxpayer in submitting the required documents and details of the CGT declaration with the GTA.

The pre-filing form follows **three distinct categories**, depending on whether the disposal is a taxable event or may be exempt from CGT:

1. Category A – Direct Exemption - It applies to Qatari resident individuals in the State in accordance with Article 4 (12) of the Income Tax Law No. (24) of 2018:

- a. The Taxpayer declares the Disposal is exempt from CGT in the pre-filing form.
- b. The Dhareeba system will prompt the Taxpayer to proceed with submitting a CGT return.

2. Category B – Application-Based Exemption - Cases of exemption from capital gains tax in accordance with Article (4) of Income Tax Law No. (24) of 2018, as well as the cases applicable under Ministerial Decision No. (3) of 2026 regarding the tax benefits associated with group restructuring

The Taxpayer submits the exemption application form during the pre-filing process.

- c. Once the application is approved by the GTA, 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 complete the non-exempt category section of the pre-filing form.

3. Taxable Transactions

- a. The Taxpayer must provide valuation details, Asset information, and cost information.
- b. Once the required information is completed, the Taxpayer will be prompted to complete the CGT declaration.

9.4 | CGT Declaration Filing and Payment Obligations

A standalone CGT declaration is required to be submitted, and any CGT liability settled by a seller within 30 days⁹ from the date of concluding the contract or Disposal of the relevant Asset, whichever is earlier.

A CGT declaration cannot be considered submitted until the tax due are settled and reconciled on the Dhareeba system.

For CGT declaration submission purposes, individuals and entities that are not registered with the GTA are required to register on the Dhareeba system first in order to submit their CGT filings and settle any related tax liabilities.

Sellers that are already registered with the GTA should complete their CGT filing and liability settlement process on the Dhareeba system

9.5 | CGT Declaration Submission – Tax Exempt Taxpayers and transactions

While the exemption removes the liability for CGT, it does not remove the obligation to file a CGT declaration with the GTA. Accordingly, Qatari Resident individuals or entities that are exempt from tax are still required to register on the Dhareeba system and submit a CGT declaration where they dispose of an Asset. Similarly, a CGT declaration must be filed for a disposal of an Asset that is exempt from CGT.

This filing is for reporting purposes only and does not result in any tax payment obligation.

9.6 | Joint and several liability

A seller will have the primary responsibility to comply with the CGT related obligations (i.e. submission of the relevant forms and settlement of CGT liability). However, under the Income Tax Law¹⁰, the transferor and the transferee and partners in a partnership are jointly liable for any tax or financial sanctions.

9.7 | CGT Supporting Documents

In normal cases (such as taxable events), the following documents are to be submitted to the GTA:

- Commercial register of the target entity.
- The target entity's Articles of Association.
- Minutes of the general assembly meetings.
- Financial statements of the target entity, 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: Please note that documents listed above are not relevant to the exemption requests related to the tax benefit for same group restructuring. Please refer to Section 6.5 for details.

⁹ Article (29) of the Executive Regulations

¹⁰ Article 27 of the Income Tax Law

9.8 | Late Filing of CGT Declaration and Late Payment of CGT Liability

In cases subject to CGT: Failure to submit the CGT declaration within the specified deadline may result in a late filing penalty of QAR 500 per day, capped to a maximum of QAR 180,000.

Moreover, failure to settle the CGT liability within the specified deadline may result in a late payment penalty of 2% of the outstanding amount per month, up to a maximum of 100% of the unpaid CGT.

For tax exemption cases: The period required for submitting and processing the pre-filing form shall not be counted within the 30-day period following the date of disposal during which the CGT declaration is submitted.

9.9 | No Objection Certificate (NOC) Process

The NOC is generally required for transfer/sell of **shares in a company incorporated in Qatar** (change in ownership) **after** the submission of the CGT declaration by the seller on the Dhareeba system to fully complete the transfer transaction at the Ministry of Justice and Ministry of Commerce and Industry. As such, the CGT declaration is to be filed, and any CGT liability settled, with the GTA before applying to the GTA for the NOC.

The NOC request should be submitted by the target entity registered in Qatar whose shares are being transferred / disposed of.

The seller (using the CGT declaration submission reference number) and the purchaser will both be identified in the NOC application, and both the seller and the purchaser will receive a notification in their accounts on the Dhareeba system on the progress of the NOC request. Where either the seller or the buyer is not already registered on the Dhareeba system, the non-registered person will be required to register on the Dhareeba system in order to be able to receive the notification.

The GTA will review the NOC application and the CGT declaration, and based on its review, provide their approval or rejection of the application. The NOC, once granted, will be available through the Dhareeba system.

Note: Even if the target entity is tax-exempt, an NOC will still be required for administrative purposes to complete the process on the Dhareeba system and to officially update the shareholder information with the Ministry of Justice and the Ministry of Commerce and Industry.

◆ 10 | CGT - Double Tax Agreements Relief

As the GTA provides DTA relief through a ‘pay and refund’ mechanism, where a non-resident person or entity undertakes a transaction that gives rise to CGT in Qatar but the non-resident person or entity is eligible to relief under a relevant applicable double tax agreement (“DTA”), the full CGT liability would still need to be paid to the GTA and a CGT declaration to be filed with the GTA by the required due date.

The non-resident person is required to register on the Dhareeba system (if the non-resident person is not already registered) to submit the CGT declaration and a standalone refund application to the GTA. This application should be accompanied by documentation highlighting the relevant DTA provisions under which the relief is being claimed. In addition, the non-resident person should present a tax residency certificate in the relevant DTA jurisdiction for the applicable period.

◆ 11 | Contact Information

11.1 | Getting Help and Contact details for the GTA

For more information and queries relating to CGT, you may contact the GTA through the following channels:

- The dedicated GTA call center: From inside Qatar, please call [16565]. Please call [+974 4406 9941] if you are outside of Qatar
- You can reach send an email to the GTA via [info@gta.gov.qa] or [Support@dhareeba.qa]

◆ 12 | Appendix A

12.1 | Abbreviations

Term	Definition
GTA	General Tax Authority
CGT	Capital Gain Tax
NOC	No Objection Certificate
SPA	Share Purchase Agreement
PE	Permanent Establishments
CIT	Corporate Income Tax
DTAs	Double Tax Agreements
Income Tax Law	Qatar Income Tax Law No. 24 of 2018 as amended by Law no. 11 of 2022
Executive Regulations	Qatar Executive Regulation of the income Tax Law No. 24 of 2018 as amended by Cabinet Decision no. 3 of 2023

Scan the Code



To view the latest update of this guide
and all published guides.

or Visit the Dhareeba Platform



www.dhareeba.gov.qa