TUNISIA

MEMBER FIRM

City	Name	Contact Information
Tunis	Lassaad Marouani	+216 718 89 835 l.marwani@pkf.tn

BASIC FACTS

Full name:	Tunisian Republic
Capital:	Tunis
Main languages:	Arabic
Population:	11.64 million (2018 estimate)
Monetary unit:	Tunisian Dinar (TND)
Internet domain:	.tn
Int. dialling code:	+216

KEY TAX POINTS

- Companies are generally liable to corporate income tax at the rate of 25%; incentive tax rate of 15% if the company shares are offered on the stock exchange market. Small companies are taxed at 20% if turnover is less than TND 1 million in commerce and industry or TND 500,000 in services (2019 Finance Law).Some activities at high added value will be taxed at 13.5% since 2021.
- VAT is charged at 7% (IT services, hotels and restaurant activities, and equipment), 13% (raw materials, craft industry products, medical activities and canned food) or 19% (operations related to services and goods not subject to another rate). VAT rates were increased by 1% as a result of the 2018 Finance Law.
- Inherited property and gifts are subject to tax at rates varying from 2.5% to 35%, depending on the closeness of relation.
- For certain categories of income, the payer of income has to withhold tax at source, file a tax return and submit the amount of tax withheld to the Treasury.

A. TAXES PAYABLE

FEDERAL TAXES AND LEVIES

COMPANY TAX

Companies, partnerships and cooperatives are liable to corporate income tax on their profits stemming from any business they carry on in Tunisia and also lottery gains since 2016. Foreign companies not carrying on business in Tunisia but deriving certain types of income from Tunisia are subject to company tax.

Tax rates: Companies are liable to corporate income tax at the rate of 25% (it was reduced from 30% to 25% since 2014). However, a number of companies and legal entities such as companies operating in handicraft activities, agriculture and fishing are taxable at the rate of 10%. Other companies operating in sectors of banks, insurance, production and services linked to petroleum, telecommunications, cars dealers and franchise companies are subject to a rate of 35% on their income. Hyper markets will be taxed at 35% as from 1 January 2020 (instead of 25%).

Small companies are taxed at 20% if turnover is less than TND 1 million in commerce and industry or TND 500,000 in services (2018 Finance Law).

Exporting companies are liable to income tax at common rates since 2019, after an exemption period.

Minimum tax liability: A corporation has to pay a minimum tax liability of 0.2% of the total gross turnover with a minimum amount, due even in the absence of turnover of TND 300 for companies taxable at the rate of the 10%. For those taxable at the rate of 25% or 35%, the minimum amount is TND 500.
Legal entities liable to company tax and individuals liable to personal income tax carrying on a trade business are subjected to three tax instalments each representing 30% of the total levy calculated on income and profits of the previous year.

Tax instalments should be paid by the 28th June, September and December following the balance sheet date.

Exceptional contribution : Banks and insurance companies have to pay 5% on taxable income of 2018 with a minimum of TND 5,000 and 4% on taxable income of 2019 with the same minimum. Income tax since 2018 will effectively be increased for all individuals and companies by 1%.

CAPITAL GAINS TAX

For non-resident legal entities, gains derived from the disposal of buildings established in Tunisia or related rights are subject to corporate income tax. A capital gain is the difference between the sale price (or the quoted price on the Tunis stock exchange) and the cost price or purchase price. These entities are liable for withholding tax at a rate of 25% on the capital gain. For closed-end investment companies and credit institutions, capital gains related to securities are deductible from taxable income.

For both residents and non-residents, interest is subject to a 20% withholding tax (or a more favourable rate if a double tax treaty applies). For a non-resident, the amount withheld is offset against ordinary income tax on this income.

From 1 January 2011, the following are exempt from capital gains tax for the sale of securities:

- The capital gain derived from the sale of shares listed on the Tunis Stock Exchange acquired or subscribed before 1 January 2011 and the sale of shares in a transaction introductory to the Tunis Stock Exchange are deductible from taxable income.
- The capital gain derived from the sale of shares listed on the Tunis Stock Exchange acquired or subscribed as from 1 January 2011 is also deductible from taxable income when the transfer takes place after the expiry of the year following the year of acquisition or subscription with a maximum of TND 10,000 per year. Otherwise the gain described above shall be subject to income tax at 10% with a maximum of 2.5% of the sales price (for individuals) or to income tax at 25% with a maximum of 5% of the sales price (for companies).
- Corporation tax is payable by non-resident legal persons not established in Tunisia at a rate of surplus value cited above. The capital gain subject to tax on companies is equal, in this case, to the difference between the sale price (or the quoted price in stock exchange of Tunis) and the purchase price of stocks, shares or units or the subscription price and from transfer operations performed during the year preceding the tax after deduction of capital loss from the operations in question.

VALUE-ADDED TAX

VAT is an indirect tax, in that the tax is collected from someone who does not bear the entire cost of the tax. All economic activities conducted in Tunisia, including industrial and handicraft activities, liberal or commercial professions, are subject to VAT. Exports by definition are consumed abroad and are usually not subject to VAT and any VAT charged under such circumstances is usually refundable. This avoids downward pressure on exports and, ultimately, export-derived income or revenue.

VAT charged by a VAT-registered business and paid by its customers is known as ‘output VAT’ (that is, VAT on its output supplies). VAT that is paid by a business to other businesses on the supplies that it receives is known as ‘input VAT’ (that is, VAT on its input supplies). A business is generally able to recover input VAT to the extent that the input VAT is attributable to (i.e. used to make) its taxable outputs. Input VAT is recovered by setting it off against the output VAT for which the business is required to account to the Tunisian government or, if there is an excess, by claiming a reimbursement from the Tunisian government.

Four different VAT rates apply in Tunisia (VAT rates were increased by 1% as a result of the 2018 Finance Law):

- 7%: information technology services, hotels and restaurant activities and equipment;
- 13%: raw materials, craft industry products, medical activities, and canned food;
- 19%: operations related to services and goods not subject to another rate;
- 29%: luxury articles.

According to article 18 of the Tunisian VAT code, a sales invoice issued by a VAT-registered business should contain certain mandatory information including client name, address and fiscal register, date of the transaction, price of the goods or services sold, VAT rate and amount.

FRINGE BENEFITS TAX

Fringe benefits are considered to be a part of the salary paid to an employee and are therefore subject to social security and income taxes. Taxable fringe benefits are evaluated on the basis of their market value.

LOCAL TAXES

The tax on the rental value is a municipal tax on buildings or plants. The owner of the property is liable for collection of the tax. The tax base is the gross rental value determined in accordance with a general census carried out every three to five years by the local authorities. The rate is fixed per local authority which may be divided into two zones, urban and suburban (where the rate is lower). The land tax on undeveloped land is owed by occupiers, owners or persons benefiting from the land.

OTHER TAXES AND LEVIES

SOCIAL SECURITY TAXES

The social security rates are 9.18% on behalf of the employee, 16.57% on behalf of the employer and 0.5% for employer's compensation on behalf of the employer.

REAL ESTATE TAX

The purchase of real estate is subject to the following:

- A registration duty of 5% on the purchase price increased by VAT;
- A stamp duty of TND 25 per sheet of contract;
- A real estate property Conservation Duty of 1% on the purchase price increased by VAT;
- A registration will be increased by 1% of the purchase price for non-registration of the property purchased;
- A supplementary charge of 3% in cases where the owner has failed to declare the value of his property;
- A supplementary charge of 2% when the purchase price exceeds TND 500,000 and 4% if it exceeds TND 1,000,000, except for professional buildings or acquisition by incentive companies.

Any real estate buyer who is an individual or a corporate entity subject to a regular accounting system must withhold tax on the real estate purchase price. This tax is 2.5% on the purchase price increased by VAT (15% for a non-resident). The buyer shall pay 5, 10 or 15% on the capital gain on real estate.

EXCISE TAX

This is a federal tax on specific goods and services either imported or manufactured in Tunisia. It is levied on a variety of items such as cigarettes, tobacco, alcoholic beverages, cosmetics, perfume and private cars. Excise tax is levied on the sale price or customs value for imported goods, the rates of which were increased effective 1 January 2018 by the Finance Law. According to the Tunisian Excise Tax Code, several rates apply to different goods. A joint list is available in the code, setting different rates.

GIFTS, WEALTH, ESTATE AND/OR INHERITANCE TAX

Inherited property and gifts are subject to tax at the following rates:

- Direct line relatives (children, spouses, parents, etc.): 2.5%;
- Brothers and sisters: 5%;
- Collateral line relatives: 25%;
- Relatives beyond the fourth degree: 35%;
- Unrelated individuals: 35%.

VOCATIONAL TRAINING TAX

This is payable monthly at the rate of 2% of the total gross wages. A special rate of 1% is applicable to the manufacturing sector.

TAX FOR PROMOTING EMPLOYEES' ACCOMMODATION

Employers have to pay a tax at the rate of 1% of total gross salaries to promote the employee's accommodation. Farmers are exempt from this tax.

B. DETERMINATION OF TAXABLE INCOME

Taxable income is determined on the basis of regular accounting results. When there are discrepancies between fiscal rules and accounting principles, adjustments are made to the accounting results.

Profits are generally considered gross revenue less production, salary and wages and rental expenses. Generally, all expenses generated by the conduct of business are deductible if they are incurred in gaining or producing assessable income and not paid in cash for amounts exceeding TND 5,000.

Taxable income also includes capital gains, except for capital gains stemming from the disposal of securities listed on the Tunisian Stock Exchange (TSE) and capital gains from an initial public offering on the TSE.

DEPRECIATION

Fixed assets owned by the company are normally written off over their normal useful life. For tax purposes, the straight-line method is normally adopted. Assets of a lower value than TND 500 may be fully written off during their first year. Companies may choose the declining-balance method to calculate depreciation on hardware, agriculture equipment and newly purchased manufacturing equipment (from 1 January 1999). From 1 January 2008, a company is eligible to use the declining balance method to compute depreciation on manufacturing equipment financed by leasing.

STOCK / INVENTORY

For the determination of net income, inventories must be valued at their cost price. If market value or realisable value is lower at the end of the year, the company must set up reserves for depreciation of inventories, which are deductible within the limit of 30% of taxable income.

DIVIDENDS

Collected dividends that are distributed by Tunisian companies are tax-exempt in the hands of resident companies. Non-residents companies and individuals are subject to withholding tax at 10% since 2018 (25% if resident in a tax haven). The non-capitalised earnings, amounts given to partners or shareholders and attendance fees given to members of the board of directors are assimilated to a dividend payment.

Gains from stock option exercises: in Tunisia, stock options are recognised only in the following sectors of activities:

- Software engineering;
- Software services;
- Telecommunications and new technologies sectors;
- Listed companies.

When the plan is recognised by Tunisian Law to be a stock option, the gain is not subject to taxation. This advantage is granted under the double condition that:

- At the date the stock option is granted, the employee does not hold more than 10% of the subscribed share capital; and,
- The shares are not sold during a period of three years starting from 1 January of the subsequent year in which the option is exercised.

When Tunisian law does not recognise the stock option plan, the exercise gain made by the employee (difference between the exercise price and the fair market value of the shares at the date of exercise) will be subject to income tax.

INTEREST DEDUCTION

Interest from foreign currency deposits or from convertible Dinar is deductible from taxable income. The interests on loans granted, or left at the disposal of the Tunisian company by partners or shareholders, are fully deductible from the taxable income of shareholders or partners, under the following conditions:

- The interest rate does not exceed 8%;
- The amounts do not exceed 50% of the capital which should be fully paid up.

A limitation of interest rates is not applicable when the partner or shareholder who benefits from the interest is a bank, in which case interest is deductible from the taxable base to the limit applicable on the market.

LOSSES

The deficit recorded during a business year which resulted from a regular accounting record in compliance with corporate accounting legislation is deducted successively from the results of the following business years up until and including the fourth year. For any profit business year, the deduction of deficits and depreciation is carried out according to the following order:

(a) Reportable deficits;
(b) The depreciation of the concerned business year;
(c) Deferred depreciation in deficit periods.

During a business year when the profit is not sufficient to carry out the total deduction of the deficit and depreciation, the remaining part is added back successively to the results of the subsequent business years up until and including the fourth year.

FOREIGN SOURCED INCOME

According to the Tunisian tax legislation, foreign-sourced revenues realised by individuals and which were subject to tax payment in the country of origin are not taxed. Non-resident legal entities are taxable on their Tunisian source income and on the gain from the disposal of buildings and the disposal of shares in real estate companies. The taxable capital gain is the difference between the sale price and the purchase cost.

Relief from foreign taxes in Tunisia depends on the double tax treaty, if any, concluded by Tunisia.

INCENTIVES

Tunisian tax legislation has established a certain number of incentives for investment and creation of projects in certain sectors of activity, either by Tunisian or foreign promoters being resident or non-resident or in partnership according to the overall development strategy. These are mainly aimed at accelerating growth rate and job creation within activities related to fields determined in Article One of the new 2016 Investment Incentives Code.

Various tax incentives are available for total exporting companies. From 1 January 2015 to end of 2021 the exporting activity income is taxable at the rate of 10% with a minimum of 0.1% of gross turnover, after an exemption period.

Major incentives are available for investments made by enterprises settled in areas that need development (regional development zones). Income stemming from investments carried out in these areas is fully deductible from the taxable income during the first ten years of activity but, for subsequent business years, income tax is at 10%.

As part of the promotion of small and medium-sized enterprises, the 2019 Finance law has renewed management measures to support businesses created as from 1 January 2019. It concerns new investments announced in 2019 and 2020 for which an exemption of income tax is granted for 4 years.

C. FOREIGN TAX RELIEF

Relief from foreign taxes in Tunisia depends on whether a double tax treaty has been concluded by Tunisia.

D. CORPORATE GROUPS

When a Tunisian company holds 75% or more of the shares of one or more Tunisian companies, the group may choose to be taxed as a single entity. Hence, the subsidiaries are treated as branches of the parent company and corporate tax is payable only by the parent company. To benefit from the results integrating scheme, the parent company must make the commitment to list its shares on the stock market before the end of the year. Under this system, the profits and losses of all controlled branches, subsidiaries and partnerships in Tunisia and abroad are consolidated.

E. WITHHOLDING TAX

For certain categories of income, the payer of income has to withhold tax at source, file a tax return and submit the amount of tax withheld to the Treasury. In all cases, purchases exceeding TND 1,000 (VAT included) are subject to withholding tax at 1.5%.

Different rates of withholding taxes apply:
- 2.5% for study fees not subject to real system of VAT, real state selling price;
- 10% on dividends distributed to resident or non-resident individuals and companies;
- 5% for fees subject to real system of VAT or hotel leases;
- 15% on fees, commissions or leases;
- 20% on capital gains or fees of directors;
- 25% on capital gains derived by non-residents located in tax free areas.

F. PERSONAL TAX

With respect to the international taxation agreements, personal income tax is a direct tax levied on income of an individual exceeding TND 5,000 per year. Taxpayers are classified into residents and non-residents. According to Tunisian laws, three criteria are used to indicate that an individual has a habitual residence in Tunisia:
(1) Main residence of the person is in Tunisia;
(2) Principal place of residence (period equal to, or more than, 183 days during a civil year) is in Tunisia;
(3) Civil servant or state employee carrying out his/her duty in a foreign country, where they are not subject to personal income tax on global income.

A non-resident is subject to tax only on personal income from Tunisian sources. Income chargeable to personal income tax is called assessable income and is divided into seven categories:
(1) Income from commerce and industry;
(2) Income from non-trading professions;
(3) Income from agriculture and fishing activities;
(4) Wages, salaries, pensions and life annuities;
(5) Land income;
(6) Income in the nature of dividends and interests resulting from the detention of securities and bonds;
(7) Income from any other activity not specified above.

For each category of income, certain deductions and allowances are granted in calculating taxable income. A taxpayer shall keep the books in compliance with the accounting legislation in order to benefit from these deductions. In general, a person liable to personal income tax has to compute his tax liability, file a tax return and pay tax, if any, accordingly on a calendar year basis. Married couples file tax returns as separate individuals. The income of children is reported on the tax return of the head of the family. A spouse can report income of the children on his/her tax return under certain circumstances.

Income tax rates (effective 1 January 2018):

Amount (TND)	Rate	Effective Tax Rate of the Upper Limit
0 to 5,000	0%	0%
5,001 to 20,000	27%	19.50%
20,001 to 30,000	29%	22.33%
30,001 to 50,000	33%	26.20%
over 50,000	36%	

For trading and non-trading activities in accordance with the revenue code, a minimum tax liability is due of 0.1% of the total gross turnover or receipts, except for turnover or receipts from export activities, with a minimum amount of TND 200 (and TND 100 due in the absence of turnover).

G. TREATY AND NON-TREATY WITHHOLDING TAX RATES

	Dividends		Interest (%)	Royalties (%)
	Individuals, companies (%)	Qualifying companies (%)		
Non-treaty countries				
Companies	5/25[36]	5/25[36]	0/5/20/25[37]	0/15/25[38]
Individuals	5/25	--	0/20/25	15/25
Treaty countries:				
Algeria	–[8]	–[8]	–[8]	–[9]
Austria	20	10[1]	10	10/15[23]
Belgium	15	5[2]	0/5/10[12]	11
Burkina Faso	8	8	5	5
Canada	15	15	15	0/15/20[24]
China	8	8	10	5/10[25]
Czech Republic	15	10[3]	12	5/15[26]
Cameroon	12	12	15	15
Denmark	15	15	12	15
Egypt	10	10	10	15
Ethiopia	5	5	10	5
France	–[10]	–[10]	12	5/10/15/20[27]
Germany	15	10[4]	10	10/15[28]
Greece	10	10	15	12
Hungary	12	10[3]	12	12
Indonesia	12	12	0/12[13]	15
Iran	10	10	10	8
Italy	15	15	12	5/12/16[29]
Ivory Coast	10	10	10	10
Jordan	–[11]	–[11]	–[11]	–[11]
Korea	15	15	0/12[14]	15
Kuwait	10	0[5]/10	2.5/10[15]	5
Lebanon	5	5	5	5
Libya	–[8]	–[8]	–[8]	–[9]
Luxembourg	10	10	7.5/10[16]	12
Mali	5	0[3]	5	10

Malta	10	10	0/12[17]	12
Mauritania	–[8]	–[8]	–[8]	–[9]
Mauritius	0	0	2.5	2.5
Morocco	–[8]	–[8]	–[8]	–[9]
Netherlands	20	0[2]	0/7.5/10[18]	7.5/11[30]
Norway	20	20	12	5/15/20[31]
Oman	0	0	10	5
Pakistan	10	10	13	10
Poland	10	5[1]	12	12
Portugal	15	15	15	10
Qatar	0	0	–	5
Romania	12	12	10	12
Saudi Arabia	5	5	2.5/5	5
Senegal	–[8]	–[8]	–[8]	–[9]
Serbia	10	10	10	10
Slovak Republic	15	10[3]	12	5/15[32]
South Africa	10	10	5/12[19]	10/12[33]
Spain	15	5[6]	5/10[20]	10
Sudan	5	0	10	5
Sweden	20	15[3]	12	5/15[34]
Switzerland	10	10	10	10
Syria	0	0	10	18
Turkey	15	12[3]	10	10
United Arab Emirates	0	0	5/10	7.5
United Kingdom	20	12[7]	10/12[21]	15
United States	20	14[3]	15	10/15[35]
Vietnam	10	10	10	10
Yemen	0	0	0/10[22]	7.5

Notes:

1. The reduced rate applies if the recipient of the dividends is a company (other than a partnership) which holds directly at least 25% of the capital of the paying company.
2. The reduced rate applies if the beneficial owner is a company which holds directly at least 10% of the capital of the paying company.
3. The reduced rate applies if the beneficial owner is a company which holds directly at least 25% of the capital of the paying company.
4. The reduced rate applies if the recipient is a company which directly controls at least 25% of the capital of the paying company.
5. The 0% rate applies if the recipient is the Government of Kuwait, a public enterprise or any other entity of that State.
6. The reduced rate applies if the beneficial owner is a company (other than a partnership) which holds directly at least 50% of the capital of the paying company.
7. The reduced rate applies if the beneficial owner is a company which controls directly at least 25% of the voting power in the paying company.
8. No withholding tax limitation on dividends and interest under the tax treaty.
9. No tax levied in the source country. Royalties subject to tax in the residence country only.
10. No withholding tax limitation on dividends under the tax treaty.
11. No withholding tax limitation on dividends, interest and royalties under the tax treaty.

12. The 5% rate applies to interest from loans, not represented by bearer securities, granted by banking enterprises to an enterprise. The 0% rate applies to interest on a loan or credit made, guaranteed or insured by a Contracting State or by a political subdivision, local authority or the central bank of that State, or by an entity that is primarily financed through public funds.
13. The 0% rate applies if interest is (i) beneficially derived by the Government including a political subdivision or a local authority thereof or the central bank (ii) paid by the Government or a political subdivision or by the local authority thereof, when the maturity of this interest-generating loan is at least 7 years.
14. The 0% rate applies if interest is (i) beneficially derived by the Government including a political subdivision or a local authority thereof or the central bank (ii) beneficially derived by a resident of a Contracting State that is a bank or similar financial institution with respect to an obligation having a maturity of at least 7 years or (iii) paid by the Tunisian Government to a Korean resident with respect to loans made to the Tunisian Government or a political subdivision or local authority thereof.
15. The 2.5% rate applies to interest paid in respect of bank loans. The 10% rate applies in all other cases.
16. The 7.5% rate applies to interest, provided that the loan on which the interest is paid is guaranteed or financed by the other State or by a financial institution which is a resident of that other state and that the loan is granted for a minimum period of 5 years. The 10% rate applies in all other cases.
17. The 0% rate applies to interest derived by the Government or a local authority thereof.
18. The 7.5% rate applies as long as the interest received by a Tunisian resident is not subject to Dutch withholding tax and as long as the Netherlands have not changed their taxation law on that point. The 0% rate applies to interest paid to the Government and the Central Bank, subject to certain conditions.
19. The 5% rate applies to interest paid in respect of bank loans. The 12% rate applies in all other cases.
20. The 5% rate applies to interest derived from loans outstanding for more than 7 years. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
21. The 10% rate applies if the beneficial owner of the interest is a bank or other financial institution.
22. The 0% rate applies to interest paid directly to a Contracting State, one of its political subdivisions or local authorities or the Central Bank.
23. The 10% rate applies to royalties paid for the use or the right to use any copyright of literary, artistic or scientific works, but not including cinematograph and television films.
24. The 20% rate applies to patent royalties and royalties for the use or the right to use trademarks, motion picture films and films or videotapes for use in connection with television, or for the use of, or the right to use, industrial, commercial, scientific or harbour equipment. The 0% rate applies to copyright royalties and other like payments in respect of the production or reproduction of any literary, dramatic, musical or artistic work (but not including royalties in respect of motion picture films and films or videotapes for use in connection with television) arising in Tunisia and subject to tax in Canada. The 15% rate applies in all other cases.
25. The 10% rate applies to royalties paid for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematography films, or films or tapes for radio or television broadcasting, any patent, [trade] mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific experience. The 5% rate applies to royalties paid for technical or economic studies or for technical assistance.
26. The 15% rate applies to payments of any kind received as a consideration for the use of, or the right to use, any patent, trade mark, design or model, plan, secret formula or process, for the use of, or the right to use industrial, commercial or scientific equipment and for information concerning industrial, commercial or scientific experience as well as for technical or economic studies, or for technical services rendered in the other Contracting State. The 5% rate applies to payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films and films or recordings for radio and television.
27. The 5% rate applies to royalties for the use of, or the right to use, any copyright of literary, artistic, or scientific work. The 15% rate applies to royalties for the use of, or the right to use, patents, trademarks, designs or models, plans, secret formulae, or processes, information in respect of industrial, commercial, or scientific experience and economical and technical studies. The 20% rate applies to royalties for the use of, or the right to use, agricultural, industrial, commercial, scientific equipment, or port facilities and licences, trademarks, cinematographic films, and films for TV broadcasting. However, payments made to public entities for the use of cinematographic films or the broadcasting on radio and TV are exempt from WHT. However, since the 20% treaty rate is higher than the 15% domestic rate, the latter will be applied.
28. The 10% rate applies to royalties paid for the use or the right to use any copyright of literary, artistic or scientific works, but not including cinematograph and television films, and for information concerning agricultural, industrial, commercial or scientific experience and of payments for economic and technical studies. The 15% rate applies to royalties paid for the granting of licences to use patents, designs and models, plans, secret formulae or processes, trademarks and for the hire of cinematograph and television films.
29. The 16% rate applies to royalties relating to a trade mark, to cinematograph and television films, to industrial, commercial or scientific equipment. The 5% rate applies to royalties relating to royalties on literary, artistic or scientific work. The 12% rate applies in all other cases.
30. The 7.5% rate applies as long as the royalties received by a Tunisian resident is not subject to Dutch withholding tax and as long as the Netherlands have not changed their taxation law on that point.
31. The 5% rate applies to royalties for the use of, or the right to use, any copyright of literary, artistic, or scientific

work, except cinematographic films and films for TV broadcasting. The 15% rate applies to royalties for the use of, or the right to use, patents, trademarks, designs or models, plans, secret formulae, or processes, information in respect of industrial, commercial, or scientific experience and economical and technical studies. The 20% rate applies to royalties for the use of, or the right to use, agricultural, industrial, commercial, scientific equipment, or port facilities, and the use of, or the right to use, trademarks and cinematographic films and films for TV broadcasting. However, since the 20% treaty rate is higher than the 15% domestic rate, the latter will be applied.

32. The 15% rate applies to payments of any kind received as a consideration for the use of, or the right to use, any patent, trade mark, design or model, plan, secret formula or process, for the use of, or the right to use industrial, commercial or scientific equipment and for information concerning industrial, commercial or scientific experience as well as for technical or economic studies, or for technical services rendered in the other Contracting State. The 5% rate applies to payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films and films or recordings for radio and television.
33. The 10% rate applies to royalties for the use of, or the right to use, any copyright of literary, artistic, or scientific work, including cinematographic films and films, tapes, or discs for radio or television broadcasting, patents, trademarks, designs or models, plans, secret formulae, or processes, and information in respect of industrial, commercial, or scientific experience. The 12% rate applies to royalties for technical services, such as technical and economic studies and technical assistance and other services of a technical or consultancy nature.
34. The 5% rate applies to royalties for the use of, or the right to use, copyrights of literary, artistic or scientific work, not including motion picture films and television recordings. The 15% rate applies in all other cases (including technical and economic studies).
35. The 15% rate applies to royalties for copyright of literary, artistic, or scientific work, including cinematographic films and films, tapes or discs for radio or television broadcasting, patents, trademarks, designs or models, plans, secret formulae, or processes, information in respect of industrial, commercial, or scientific experience and profits from any ownership, depending from the productivity, the use, or the alienation of that ownership. The 10% rate applies to royalties for the use of, or the right to use, industrial, commercial, or scientific equipment other than vessels and aircraft used for international transport, and technical studies paid from public funds or political subdivisions or local authorities or technical assistance for the use of the ownership of the aforementioned rights, in case the technical assistance is realised in the source state.
36. The withholding tax on dividends is 25% if the non-resident recipient is based in a tax haven jurisdiction.
37. Interest paid by Tunisia resident persons to non-resident companies is subject to a final 20% withholding tax unless a lower treaty rate applies. A reduced 5% final withholding tax rate applies to interest paid to non-resident banks. An increased 25% withholding tax rate applies if the non-resident recipient is based in a tax haven jurisdiction. Interest paid by Tunisia resident persons or by the government from deposits or securities issued in foreign currency or in convertible dinars is tax-exempt.
38. Royalties paid by Tunisia resident persons to non-resident companies are subject to a final 15% withholding tax unless a lower treaty rate applies. An increased 25% withholding tax rate applies if the non-resident recipient is based in a tax haven jurisdiction. Royalties paid by holders of an oil exploration and development licence in respect of technical assistance or studies performed by the parent company are tax-exempt.