

VAT Mandate

Value Added Tax

Law # 379 dated 14/12/2001 amended by Law No. 64 dated 20/10/2017

- 1- The Contractor/Consultant shall be registered in the Ministry of Finance – VAT Department to be able to invoice the VAT to the Council for Development and Reconstruction or obtain its refund from the Ministry of Finance, according to the financing source of the contract.
- 2- The Contractor/Consultant shall submit its offer without calculating the VAT in its unit price.
- 3- Method of invoicing the VAT for contracts totally financed by the Lebanese State:
The Contractor/Consultant shall invoice the VAT to the CDR upon submittal of its statements by adding 11% VAT on the net value of the statement, separately from the value of the statement.
- 4- Method of VAT invoicing/refund for contracts partially financed by foreign sources:
For the section locally financed, the Contractor/Consultant shall invoice the VAT to the CDR in accordance with clause 3 above.
For the section financed by foreign sources, the Contractor/Consultant shall obtain the VAT refund directly from the Ministry of Finance.
- 5- Methods of VAT refund for contracts totally financed by foreign sources:
The contracts totally financed by foreign sources shall be exempted from the VAT. In the event the Contractor/Consultant is bound to pay this tax, the latter shall obtain its refund directly from the Ministry of Finance and not from the Council for Development and Reconstruction. (Refer to Article 19 – clause 4 of Law # 379, and Article 3 (b) of implementation Decree # 7336 dated 31/01/2002.)

This document was approved by virtue of decision # 147/2002 dated 07/03/2002, taken by the Board of Directors of the CDR; and amended as per Law No. 64 dated 20/10/2017 by CDR Board of Directors decision # 226/2018 dated 08/03/2018.