

# Macao

# Tax overview

Corporate Income Tax	12%
Personal Income Tax	7% - 12%, progr.
Gift Tax	None
Wealth Tax	None
Inheritance Tax	None

# **Legal System**

Macao is a Special Administrative Region (SAR) of China, and applies civil law with Portuguese and German origins.

# **Currency and Exchange Controls**

The currency is the Macao Pataca (MOP). Macao has no foreign exchange controls.

## **Corporate Income Taxation**

Corporations resident in Macao are subject to Complementary Tax on world-wide income at a rate of 12% on profits over MOP 300.000.

#### **Individual Taxation**

Residents of Macao are subject to tax on income from employment in Macao (Professional Tax) at rates from 7% to 12%. Capital gains and investment income are not taxable to individual recipients, except dividends from local corporations.

#### **Anti-Avoidance Rules**

Macao has no has General Anti-Avoidance Rules, no Transfer Pricing rules, no Thin Capitalization rules, and no Controlled Foreign Corporation (CFC) rules.

#### **Trusts**

Macao does not have a domestic trust law, and trusts and similar legal arrangements are not authorized. However, under the Law on Offshore Activity (Law No. 58/99/M) trust management companies may be established to conduct offshore business, and must be licensed by the AMCM.

### **Double Tax Treaties (DTTs)**

Macao has signed DTTs with Belgium (not in effect), Cabo Verde, China, Hong Kong, Mozambique, Portugal, and Vietnam.

#### **OECD Multilateral Convention**

Macao is a signatory to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, which requires exchange of information "on request," and authorizes spontaneous and automatic exchange.

# **Common Reporting Standard (CRS)**

Macao is a party to the Multilateral Competent Authority Agreement (MCAA) and has implemented CRS for the automatic exchange of information. As of January, 2021, Macao has 61 activated relationships.

#### **FATCA**

Macao has a FATCA Model 2 IGA with the US for automatic information exchange.

#### **Notice**

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