

MEMO about real tax & UHY Khaled Elfakhrani's role supporting our clients concerning real tax.

• **The new issues of real tax ' law no. 196 for year 2008 :**

1. The differentiation between residential and non residential real estate (PROPERTY).
2. All completed (finished), constructed real estates & Exploited land space are subject to real tax law whatever its location, materials of construction, provision of basic activities (industrial / services / hospitality... etc.)
3. According to the law, residential units of a market value of less than 500,000L.E or its annual rental value below 6000L.E. would be exempted from real taxes.
4. The owner of real estate or the beneficiary or exploiter (INDIVIDUALS OR CORPORATIONS) should fill out & submit the appropriate real tax declarations before the end of each year to real tax authority.
5. Keep upon the stated exemption of constructed real estate which are subjected to rent determinations according to terms of law no. (49) For year 1977, law no. (136) for year 1981 and laws special for renting properties which were previously promulgated.
6. The conditional exemption is applicable to real estate that owned by hospitals and education institutions, youth and sport centers and charities and workers institutions.

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- **UHY Khaled EL Fakhrani's role in supporting our individual clients concerning real estate tax:**
1. Determining of real estates (properties) & separated units owned by the individual situation from the tax' exemption (real estate tax exemption) which is recently decided / stated.
 2. Determining of the real estates & the separated units that owned by client or his/her rights to utilize or tap into these real estates.
 3. Determining of the real estate & the separated rental units and the nature of law system governing of each unit.
 4. Determining of the stated rights to benefit from (expoliate or use) his/her real estate & units.
 5. Listing of real estate's built-up (finished) areas & the attached lands & basic information for date, building up costs, possession costs.
 6. Preparing of necessary data to fill out annual tax declaration and submitting (presenting) it in the due time. (regulatory deadline)
 7. Following up with real tax authority & acting on behalf of our client in all matters related to real tax authority including receiving notifications, claims and studying it and settlements of net valued tax.
 8. The objection to the assessment & estimation/appraisal committee ' decision and acting on behalf of our client in tax appeals' committees or court if it's required.
 9. Preparing & processing of the necessary data & documents to support our clients' point of view in matters related to defending his/her rights and interests.

- **Brief history about UHY Khaled Elfakhrani :**

First: UHY Team

1. UHY Firm has (comprises) sufficient qualified & extensive experience staff to offer full service support coupled with suitable information & consulting solutions appropriate to the nature of our client's activity & properties that help our clients achieve their objectives leading to best tax status (position) in the light of stated tax legislation.

Second: brief about the firm & UHY international.

We are a professional Egyptian firm founded in 1990 by Mr. Khaled Elfakhrani the managing partner ,and In 1997, Mr. Khaled Elfakhrani had been elected to be one of board members of the Egyptian Society of accountants and auditors ESAA, the professional accountants body in Egypt & then became member in its committee specialized in professional standards ,training & educational courses.

In 1998, the firm became a member of Jeffrey's Henry international firm, and at the same year a branch of the firm has been opened at Hurghada.

In 2003, the managing partner Mr. Khaled Elfakhrani is appointed as member of the national committee of negotiations in trading in services of GATS agreements representing the professional accounting & auditing sector in Egypt.

In 2004, House of accountancy with other professionals and experts have formed a separate joint stock company **CAAT**, this company comprises professional experts & specialists staff in preparing economic studies, providing management consultancy services and information technology and training in financial and accounting topics.

In 2007, House of Accountancy has joined UHY International – the top 10 worldwide association of international independent accounting firm & UHY member firms offer accounting, auditing ,tax full service support and management consulting in 90 offices in every major financial, global marketplace & economic activities centre worldwide. At the same year, the managing partner is appointed as a member of tax appeals' committees by the minister of finance' decree.

In 2009, both the firm (House of accountancy) & other professional experts have formed a separate joint stock company **AGFA** & this company comprises

experienced staff specialized in providing financial advisory in the fields of stock fair value and M&A (merger & acquisition).

Our firm in Cairo has a group of extensive business & professional of varied specializations such as: Auditing, Accounting, the application of accounting standards & international financial reporting standards (**IFRS**) also providing special business advisory consultants & solving taxation disputes, corporate formation in Egypt.

Third: other professional services

*Audit accounts & the financial statements services.

* Accounting & bookkeeping services.

* Accounting information system development & Reporting according to **IFRS** (international financial reporting standards).