Tax Policy - Fiscal Year 2026

Djibouti

Annual Tax-Expenditure Report

A METAC remote mission between June and September continued work on tax expenditures, aiming to help the authorities improve the annual tax-expenditure report to be annexed to the draft 2026 Budget bill, including updated information and a more precise assessment.

Tax Expenditure Reporting (February 23-March 1)

METAC support played a key role in strengthening Djibouti's capacity to produce a credible and sustainable Tax Expenditure Report. The mission helped consolidate the institutional and technical framework for preparing the report, following earlier tax policy engagements in 2025. the mission supported effective collaboration among a newly formed working group and focal points across institutions, improving coordination, data sharing practices, and the validation of estimation methodologies. Targeted hands-on training enhanced analytical skills and improved the consistency and transparency of tax expenditure estimates, while the development of detailed methodological guides laid the foundation for the autonomous and timely preparation of future reports.

Iraq

Income Tax Law (June 19-July 25)

A remote joint METAC and IMF HQ mission reviewed the draft Income Tax Law (ITL) before submission to parliament. The mission recommended legislative changes and policy design options to strengthen revenue yields, equity, and the efficiency of Iraq's income tax legislation. The mission worked primarily with the General Commission for Taxation and the Supreme Committee for the Implementation of Tax Reform.

Lebanon

Desk review of the Income Tax Law (November 10-30)

IMF experts and the Lebanese authorities continued discussions on upgrading the income tax law, identifying several policy and legal reform options to improve the income tax system.

Sudan

Mining Sector Tax Policy (December 1-3)

A workshop covered mining-sector taxation, shared international best practices, and trained participants on mining tax concepts and computations using an Excel-based model.

Yemen

Review of the General Sales Tax

A mission during 13-17 September reviewed the general sales tax, the border crossing levies – including the advanced profit withholding tax payments – and the transactional withholding taxes. Discussions with representatives of the Ministry of Finance and the General Tax administration identified legislative changes and policy design options aimed at strengthening revenue collection and supporting tax policy objectives.