

What do self-employed people want from the new legislation?

We read the newspapers the day before yesterday with statements by His Excellency the Minister that the new draft of the Income Tax Law carries with it taking into account the social dimension of members of society from state workers to increase personal exemption and increase the exempted segment to reach a total of 60 thousand pounds, and that the rate of increase reached 73% from 2018 until now, and his statements also included that the upper limits for the prices of tax segments will not have any increases or amendments, and the Ministry of Finance has responded to the proposal of the tax community It is important here that the new law takes into account the economic and social requirements of society and is compatible with the economic changes of Egypt at the present time, and most importantly also that the legal text is applicable and appropriate to the environment through which it will work and abandon the situation, and the text will not be a porter of multiple faces and meanings without the need to issue many periodicals or polls opinions Tax research so that the text does not depart from the context and purpose of the legislator when it was approved and approved, and then we eliminate any personal or human diligence for any party, and among the "doors and chapters" of any tax law we will find tax treatment for non-commercial and free professions that occupy their place in any tax law, and before talking about free professions, which are the subject of this article, we must refer to a historical overview of their treatment under Law 157 for the year 1981 and amended by Law 187 of 1993, where the free professions are treated by granting the professional 15% as an expense for human consumption to reach the net revenue and then is calculated judgmental expenses of 25% of this net after excluding human consumption to reach a general percentage of what is deducted as expenses from the total revenue up to 37.5% approximately, and with the vision of the Ministry of Finance - then - And the new thought of Law 91 of 2005 and its objectives of self-linkage and examination of the sample and the desire to control the tax community and try to oblige the owners of free professions to keep public books because the extracted data showed that the percentage of tax return from the liberal professions is weak and does not rise to the desired level, as well as the idea of voluntary commitment and that your tax return is self-linking based on the basic idea of the law and brought by the draft law at the time, the project has adopted tax treatment for self-employed people based on Keeping books to prove revenue and expense with granting the right to those who do not keep regular books in estimated accounting, which is based on deducting 10% of the total revenue as a maximum percentage of expenses approved, even if we compare instructions 12 for the year 2012 or instructions 65 for the year 2020 for the net profit of commercial and industrial activity, which was issued by His Excellency the Minister of Finance after consulting with the Tax Authority and studying many files at the level of all missions, We find any activity in which the net profitability rate reaches 90%, so why this discrimination against self-employed??

Also an important point raised with me today (June 18, 2024) is one of the professional friends that I visited after he was afflicted with a health ailment that stuck in bed for nearly two months, half of which was spent in hospitals reserved in the intensive care room and he bore a lot of treatment and hospital accommodation expenses, where he reminded me _ and this is a fact _ As professionals, the older and older we are, the faster we are, the train of the committed, and the end of our validity and our need for treatment as a result of psychological pressure and daily suffering in the practice of our work between the interpretation of the articles of the law and discussions in tax missions and convincing the client of the state's right to taxes We meet the public services that require the payment of tax, all this effort, which consumes the soul and body of the chartered accountant, so who among us has not been affected by pressure and sugar, and how many of us need a cataract removal Injury His eyes, and on the other hand, you see the law does not take into account the expenses of treating the professional, which devours a large part of his income as he ages, but some weigh that the law does not see the expenses of the professional or their needs, Ellis professional work is based on abilities and experiences accumulated over the years of life, which were exhausted in education and reading all new, conferences, etc., which weakened the body and exhausted the mind and mind, and both negatively affected the health of this professional and the mind is worn out, the law does not take into account that, while we see that The law allows high depreciation rates for machines and machines in industrial activity, and I do not miss here that the professional has the right of the state to treat

At her expense in return for his participation in the insurance system that he pays as an employer for himself, but most of the professional spends on his treatment out of his own pocket. This means that instead of taking from the state, his expenses on his treatment are financing the tax treasury because what the professional spends is in fact revenue for other parties that obtained this agreement from him and recorded revenues that have been taxed at a price of 22.5%, whether it is analyzes, radiology, hospital accommodation, or even medicines and supplies.

We do not demand anything in which the welfare of the professional, but we demand the equality of the professional with production machines, tools and tools, and to adopt the expenses of professional treatment in order to maintain the source of revenue that he achieves and pays for him tax The eloquence of the professional is the investment expenses that overcome his income and achieve revenue, and to say that allowing the deduction of treatment expenses will lead to the loss of tax proceeds on the state, this is a likely saying and next to it is right, so I say to these you are wrong, sir, but the opposite is the most correct, as it will increase the The tax proceeds because the treatment expenses that will be approved for the accountant will be revenue in the hospitals in which he is treated and will be subject to tax without an autopsy, while the professional's income is dissectable, also

isn't the health of the professional better for the tax revenue because he will achieve more taxable revenue !?

Why don't we return to the tax treatment that was in Law 157 of 1981 with a little expansion in the percentage of human consumption for those over forty years of age, treatment is a constitutional right, gentlemen, for the citizen and it is the right of the professional who exhausts his mind during the performance of his work and we will not talk about the requirements of the profession of books, conferences, readings, appearance, transitions, etc., because there are requirements imposed by working conditions on the professional, and we have seen the instructions allow the owners of art and acting to adopt the expenses of clothing and make-up as Requirements for practicing the profession even though the clothing of the artist is used at work and outside the work . Is it fair, gentlemen, to professionals so that society is disciplined and cases of evasion are reduced, or is the professional considered out of context and holds a nationality other than Egyptian?

If we want to adhere to tax justice and its investigator and get satisfaction with the financier, the tax system must feel that it is (the light of his eyes), and if we cannot adopt the full expenses of treatment, which is the first of the right, then at least we treat the expenses of illness and hospitalization in a way that approaches the adoption of donations by a percentage of the total net income financed.

God grants success

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