Qatar Issues Key Pillar Two Implementing Decisions

September 2026

In brief

Qatar has issued six Pillar Two implementing decisions

The General Tax Authority (GTA) has issued six implementing decisions that operationalise key aspects of Qatar's Global and Domestic Minimum Tax framework. The Decisions were issued on 10 May 2026 and published in the Official Gazette on 27 August 2026. They apply to Fiscal Years starting on or after 1 January 2025.

- Decision 17 - Currency Conversion Rules
- Decision 18 - Simplified Reporting Procedures
- Decision 19 - Transitional CbCR Safe Harbour
- Decision 20 - Simplified Calculations for Non-Material Constituent Entities (NMCEs)
- Decision 21 - Appointment of a Designated Local Entity (DLE)
- Decision 22 - Registration

In detail

I. Registration and DLE framework

DLE – Decision No. 21 of 2026	Registration – Decision No. 22 of 2026
• A Qatar UPE is the DLE unless another domestic CE is appointed; where the UPE is outside Qatar, a domestic CE must be designated. • The DLE is the sole GTA contact and is responsible for registration, filings, payments and other Pillar Two compliance obligations. • The DLE must have unrestricted access to relevant data and authority to act for the group, with its appointment confirmed or renewed annually and material changes notified within 60 days.	• The DLE must register the group through the GTA-designated electronic platform, including key group and entity information, two authorised DLE representatives and a tax representative located in Qatar. • For Fiscal Years commencing in 2025, registration is due within three months of the GTA announcing that the platform is operational. • Thereafter, registration must be confirmed or updated annually within six months of the Fiscal Year end.

In detail (cont.)

II. Calculations, reporting and safe harbours

Currency Conversion – Decision No. 17 of 2026	Simplified Reporting – Decision No. 18 of 2026
• GloBE calculations are performed in the presentation currency of the consolidated financial statements. • IIR and DMTT liabilities are converted into QAR using the exchange rate on the last day of the Fiscal Year.	• During the transitional period, MNE Groups may elect the Transitional Simplified Jurisdictional Reporting Framework where no Top-Up Tax arises or where Top-Up Tax does not need to be allocated on a CE-by-CE basis. Relevant adjustments may also be reported on a net basis. • Available for FYs beginning on or before 31 December 2028 and not ending after 30 June 2030.

Transitional CbCR Safe Harbour – Decision No. 19 of 2026	NMCE Simplified Calculations – Decision No. 20 of 2026
• Top-Up Tax is deemed zero where the de minimis, simplified ETR or routine profits test is met. • Available for FYs beginning on or before 31 December 2027 and not ending after 30 June 2029, with a simplified ETR threshold of 16% for FY 2025 and 17% for FY 2026–2027. • Safe harbour calculations must use data from the same type of Qualified Financial Statements or the accounts used to prepare those Qualified Financial Statements.	• An annual election allows simplified income, revenue and tax calculations for qualifying NMCEs. • Under the simplified calculations, GloBE Income and GloBE Revenue are equal to total Revenue, while Adjusted Covered Taxes are equal to current-year accrued Income Tax, in each case determined under the relevant CbCR rules.

Key takeaways

The framework is moving from rules to operational readiness

The six Decisions mark Qatar's progression from adopting the Pillar Two framework to establishing the practical compliance architecture for registration, filing, payment and audit readiness.

Local accountability is now clearly defined

The DLE is responsible for key Qatar Pillar Two compliance obligations. Groups should therefore ensure that the DLE is formally appointed with the required authority and data access.

Simplifications require careful eligibility assessment

The transitional CbCR safe harbour and other simplifications can reduce the compliance burden, but their availability depends on meeting specific conditions and data requirements. CbCR data should therefore be assessed through a GloBE lens, including source-data consistency and any required adjustments for hybrid arbitrage arrangements entered into after 18 December 2023.

Data and calculation readiness will be important

The Decisions introduce specific requirements for GloBE calculations, currency conversion and supporting data, which may be subject to GTA review. Groups should ensure that their financial reporting and tax processes can support the required calculations and first-year compliance obligations.

How can we help

PwC can support in-scope groups with:

- **Pillar Two scoping and Qatar entity mapping**, including the identification of relevant CEs, PEs, JVs and NMCEs.
- **DLE appointment and registration support**, including the review of registration information.
- **Safe harbour and simplification assessments**, including the transitional CbCR safe harbour, source-data requirements and consideration of relevant hybrid arbitrage arrangements.
- **Data readiness and ongoing compliance**, including GloBE calculations, CbCR data and currency conversion requirements.

Contact us

For a deeper discussion or in case of any queries, please contact one of the colleagues below or visit our website.

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Thank you

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