



Qatar introduces 'Trusted Entity' regime enabling direct application of tax treaty benefits for withholding tax

March 2026

A large, decorative orange graphic consisting of two overlapping parallelogram shapes. One shape is positioned lower and further to the left, while the other is higher and further to the right, creating a sense of movement and depth.

In brief

The Council of Ministers issued Cabinet Decision No. (4) of 2026, published in the Official Gazette on 15 March 2026 (effective from 16 March 2026), amending certain provisions of the Executive Regulations of the Income Tax Law No. (24) of 2018. The amendments introduce a new 'Trusted Entity' regime, allowing certain entities in Qatar to apply withholding tax (WHT) relief under applicable double taxation agreements (DTAs) directly at source on payments made to non-resident recipients.

Historically, DTA benefits were generally obtained through a refund claim process after WHT had already been deducted and remitted to the GTA, which could create cash flow and administrative challenges for non-resident suppliers.

The newly introduced regime aims to facilitate the direct application of DTA benefits, reducing reliance on the WHT refund process. The reform represents a significant step by the General Tax Authority (GTA) towards enhancing the efficiency and practical application of Qatar's tax treaty network. However, the regime also introduces additional responsibilities and potential risks for Qatari entities granted Trusted Entity status, which will be required to assess treaty eligibility and implement appropriate governance and safeguards to manage potential WHT exposures.

In detail

Introduction of the Trusted Entity regime

The Cabinet Decision introduces a Trusted Entity status, allowing eligible entities in Qatar to apply WHT relief under applicable DTAs directly at source on payments made to non-resident recipients.

Entities wishing to obtain Trusted Entity status must submit an application to the GTA using the prescribed form and satisfy certain conditions, including:

- Being tax registered with the GTA
- Completing a questionnaire demonstrating the availability of administrative, technical, human and financial resources to meet the obligations associated with the regime
- Meeting certain thresholds relating to the number of transactions subject to WHT or the total amount of WHT withheld in the preceding tax year, as determined by a decision of the President of the GTA.

Trusted Entity status is granted for a period of three years, subject to renewal, and may be withdrawn by the GTA in cases of non-compliance.

Access to DTA relief under the Trusted Entity regime

To access DTA benefits under the Trusted Entity regime, the non-resident supplier must submit a declaration to the Trusted Entity in the form prescribed by the GTA along with relevant supporting documents confirming, among other things:

- Tax residence in the relevant treaty jurisdiction and beneficial ownership of the income, supported by a tax residence certificate issued by the competent foreign tax authority
- That the income is not attributable to a permanent establishment in Qatar
- That no arrangements have been entered into with the principal purpose of obtaining treaty benefits
- That the recipient meets the eligibility conditions under the applicable DTA, including identifying the relevant provision of the applicable DTA under which relief is claimed

Trusted Entity responsibilities and compliance obligations

Trusted Entities are required to conduct appropriate due diligence when reviewing applications under this regime and may approve applications submitted by non-resident suppliers following their review.

As part of the approval process, the Trusted Entity must submit a declaration in the form prescribed by the GTA confirming that it is the effective beneficiary of the services, is not acting as an intermediary, and acknowledges liability for any WHT and applicable penalties where the conditions for granting DTA relief under this regime are not met or where treaty abuse is identified. In addition, Trusted Entities must notify the GTA of payments made under approved applications and provide supporting information upon request within the prescribed timeline.

Key takeaways and PwC's observations

- The introduction of the Trusted Entity regime represents a significant step by the GTA towards simplifying the application of DTA benefits in Qatar and reducing reliance on the WHT refund process. This development also reflects the GTA's broader efforts to modernize Qatar's tax administration and enhance access to benefits under Qatar's tax treaty network.
- The framework is expected to improve administrative efficiency and reduce cash flow impacts associated with WHT deductions on cross-border payments, particularly for Qatari entities that frequently engage non-resident service providers and for multinational groups with significant intercompany transactions.
- Certain key aspects of the regime, including the eligibility thresholds based on the number of transactions subject to WHT or the total amount of WHT withheld in the preceding tax year, are expected to be specified in a forthcoming decision of the President of the GTA. Additional administrative guidance may also be issued in due course, including in relation to the application forms, procedural requirements, and reporting mechanisms to the GTA under the regime.
- Based on the eligibility thresholds, it might be possible that only a limited number of entities would be eligible to act as Trusted Entities. Accordingly, the non-residents receiving payments from entities that do not meet Trusted Entity criteria would still need to go through the existing 'pay and reclaim' mechanism in respect of WHT incurred in Qatar.

- The regime represents a shift in responsibility for assessing treaty eligibility from the GTA to Trusted Entities, which will be required to determine whether the conditions for DTA relief are satisfied before applying WHT relief at source.
- Trusted Entities may be exposed to WHT liabilities, penalties, and potential reputational risks where DTA relief is granted where the relevant eligibility conditions are not satisfied or where the requirements of the Trusted Entity regime are not properly followed. Robust governance frameworks, internal controls, and documentation procedures will therefore be critical to support the effective operation of the regime and the correct application of DTA relief.
- Businesses considering applying for Trusted Entity status should assess whether the regime would be beneficial from a cost-benefit perspective and evaluate whether their internal processes, governance frameworks, and operational capabilities are sufficiently robust to manage the responsibilities associated with the regime and meet the relevant requirements on an ongoing basis. Entities should also note that where Trusted Entity status is revoked by the GTA due to non-compliance, a new application may only be submitted after the prescribed waiting period.
- PwC can assist businesses in assessing eligibility for Trusted Entity status and reviewing existing WHT processes in relation to the regime. PwC is also pleased to support the Trusted Entities in evaluating the applications submitted by non-residents to determine their eligibility for DTA relief.

Contact us

For a deeper discussion or in case of any queries, please contact our below colleagues or visit our [website](#).



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Thank you

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