

## Withholding Tax on Royalties: Summary of withholding tax rates per South African Double Taxation Agreements currently in force

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### Note:

- A summary of the rates and the relevant provisions relating thereto, are reflected in the table below – the full text of these Double Taxation Agreements (DTAs) is available on the SARS website ([www.sars.gov.za](http://www.sars.gov.za) > Legal & Policy).
- Only DTAs which are currently in force are listed below.
- ~~The~~ South African domestic rules are ~~rate is~~ applicable to all countries which are not listed in the table below or where the DTA does not deal with the allocation of taxing rights with regard to royalties.
- Where South Africa is in the process of negotiating/renegotiating DTAs or Protocols with certain countries (see SARS website) either the present DTA rate (where there is a DTA in force dealing with royalties) or ~~the~~ South African domestic rules are ~~rate-~~ (where there is no DTA in force or the DTA does not deal with royalties) ~~is~~ applicable until such time as the new/renegotiated DTA or Protocol enters into force (or the specified effective date, whichever is applicable).
- Kindly refer to the provisions of the relevant DTA for the meaning of the term "royalties".

Updates include  
 New DTA - Chile, Hong Kong, Qatar  
 and UAE  
 Singapore - entry into force

Country	Entry into force	Rate in DTA	Summary of requirements to qualify for a particular rate	Extract from DTA Article on Royalties	
<b>REST OF THE WORLD</b>					
1	Australia (Government of)	12 November 2008	5%	All beneficial owners	12(2) However, those royalties may also be taxed in the Contracting State in which they arise, and according to the law of that State, but the tax so charged shall not exceed 5 per cent of the gross amount of the royalties.
2	Austria (Republic of)	06 February 1997	See note 1 below	No right to tax royalties in source state	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed only in that other State.
3	Belarus (Republic of)	29 December 2003	5%	Industrial, commercial or scientific equipment, or transport vehicles (use of, or right to use)	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 5 per cent of the gross amount of the royalties paid for the use of, or the right to use, industrial, commercial or scientific equipment, or transport vehicles; (b) 10 per cent of the gross amount of the royalties in all other cases. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of these limitations.
			10%	All other cases	
4	Belgium (Kingdom of)	09 October 1998	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the royalties.
5	Brazil (Federative Republic of)	24 July 2006	15%	Trade marks (use of, or right to use)	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 15 per cent of the gross amount of the royalties arising from the use of, or the right to use, trade marks; (b) 10 per cent of the gross amount of the royalties in all other cases.
			10%	All other cases	
6	Bulgaria (Republic of)	27 October 2004	5%	Cultural, dramatic, musical or other artistic work, excluding motion picture films and works for use in connection with television (production or reproduction of)	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed: a) 5 per cent of the gross amount of: i) copyright royalties and other similar payments in respect of the production or reproduction of any cultural, dramatic, musical or other artistic work (but not including royalties in respect of motion picture films and works on film or videotape or other means of reproduction for use in connection with television); ii) royalties paid for the use of industrial, commercial or scientific equipment; b) 10 per cent of the gross amount of the royalties in all other cases.
				Industrial, commercial or scientific equipment (use of)	
			10%	All other cases	
7	Canada	30 April 1997	6%	Literary, dramatic, musical or other artistic work, excluding motion picture films and works for use in connection with television broadcasting (production or reproduction of)	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if a resident of the other Contracting State is the beneficial owner of the royalties the tax so charged shall not exceed: (a) 6 per cent of the gross amount of the royalties if they are: (i) copyright royalties and other like payments in respect of the production or reproduction of any literary, dramatic, musical or other artistic work (but not including royalties in respect of motion picture films nor royalties in respect of works on film or videotape or other means of reproduction for use in connection with television broadcasting); or (ii) royalties for the use of, or the right to use, computer software; or (iii) royalties for the use of, or the right to use, any patent or any information concerning industrial,
				Computer software (use of, or right to use)	
				Patent or information concerning industrial, commercial or scientific experience, excluding information provided in connection with rental or franchise agreements (use of, or right to use)	

			10%	All other cases	commercial or scientific experience (but not including any such information provided in connection with a rental or franchise agreement); (b) 10 per cent of the gross amount of the royalties in all other cases.
8	Chile	11 August 2016	5%	For the use of, or the right to use, any industrial, commercial or scientific equipment	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 5 per cent of the gross amount for the use of, or the right to use, any industrial, commercial or scientific equipment; (b) 10 per cent of the gross amount of the royalties in all other cases. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of these limitations.
			10%	All other cases	
9	China (People's Republic of)	07 January 2001	10%	Literary, artistic or scientific work, including cinematograph films, and films, tapes or discs for radio or television broadcasting, or any patent, know-how, trade mark, design or model, plan, secret formula or process (use of, or right to use)	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed: a) in the case of royalties referred to in subparagraph a) of paragraph 3 of this Article, 10 per cent of the gross amount of the royalties; b) in the case of royalties referred to in subparagraph b) of paragraph 3 of this Article, 10 per cent of the adjusted amount of the royalties. For the purpose of this subparagraph "the adjusted amount" means 70 per cent of the gross amount of the royalties. 12(3) The term "royalties" as used in this Article comprises: a) payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work, including cinematograph films, and films, tapes or discs for radio or television broadcasting, or any patent, know-how, trade mark, design or model, plan, secret formula or process; and b) payments of any kind received as a consideration for the use of, or the right to use, any industrial, commercial or scientific equipment.
			7% (10% of the adjusted amount, which is 70% of the gross amount of the royalties)	Industrial, commercial or scientific equipment (use of, or right to use)	
10	Croatia (Republic of)	07 November 1997	5%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties.
11	Cyprus (Republic of)	08 December 1998	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, provided such resident is the beneficial owner of the royalties.
12	Czech Republic	03 December 1997	10%	No right to tax royalties in source state if paid to beneficial owner	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of the State, but if the recipient is the beneficial owner of the royalties the tax so charged shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
13	Denmark (Kingdom of)	21 December 1995	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the royalties.
14	Finland (Republic of)	12 December 1995	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the royalties.
15	France (French Republic)	01 November 1995	See note 1 below	No right to tax royalties in source state if paid to beneficial owner who is subject to tax on that royalty in other state	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, if such resident is the beneficial owner of the royalties and if such royalties are subject to tax in that other State.
16	Germany (Federal Republic of)	28 February 1975	See note 1 below	No right to tax royalties in source state if subject to tax on that royalty in other state	9(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, if such royalties are subject to tax in such other State.

17	Greece (Hellenic Republic)	14 February 2003	5%	Literary, artistic or scientific work including cinematograph films and films, tapes or discs or any other media for television or radio broadcasting (use of, or right to use)	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed: a) 5 per cent of the gross amount of the payments referred to in paragraph 3a), b) 7 per cent of the gross amount of the payments referred to in paragraph 3b). 3. The term "royalties" as used in this Article means: a) payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films and films, tapes or discs or any other media for television or radio broadcasting, b) payments of any kind received as a consideration for the use of, or the right to use, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.
			7%	Patent, trade mark, design or model, plan, secret formula or process (use of, or right to use)	
				Industrial, commercial or scientific equipment (use of, or right to use)	
				Information concerning industrial, commercial or scientific experience	
18	Hong Kong	20 October 2015	5%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting Party in which they arise and according to the laws of that Party, but if the beneficial owner of the royalties is a resident of the other Contracting Party, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties. The competent authorities of the Contracting Parties shall by mutual agreement settle the mode of application of this limitation.
19	Hungary (Republic of)	05 May 1996	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the royalties.
20	India (Republic of)	28 November 1997	10%	All beneficial owners	12(2) However, such royalties or fees for technical services may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient is the beneficial owner of the royalties or fees for technical services, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties or fees for technical services.
21	Indonesia (Republic of)	23 November 1998	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
22	Iran (Islamic Republic of)	23 November 1998	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
23	Ireland (Government of)	05 December 1997	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, provided such resident is the beneficial owner of the royalties.
24	Israel (State of)	27 May 1980	4.2% [28% x 15%]	Cinematograph or television films	12(1) Any royalty derived from sources within one of the Contracting States by a resident of the other Contracting State who is subject to tax in that other State in respect thereof shall be exempt from tax in that first-mentioned State: Provided that where any such royalty is in respect of cinematograph or television films, tax may be imposed thereon in the State from which the royalty is derived, but the tax so imposed shall not exceed tax at the rate applicable to companies on 15 per cent of the gross
			See note 1 below	All other cases: No right to tax royalties in source state if subject to tax in other state	
25	Italy (Republic of)	02 March 1999	6%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but, if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 6 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
26	Japan (Government of)	05 November 1997	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that Contracting State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.

27	Korea (Republic of Korea)	07 January 1996	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
28	Kuwait (State of)	25 April 2006	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that Contracting State, but if the beneficial owner of the royalties is a resident of the other Contracting State the tax so charged shall not exceed ten per cent of the gross amount of such royalties.
29	Luxembourg (Grand Duchy of)	08 September 2000	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the royalties.
30	Malaysia (Government of)	17 March 2006	5%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties.
31	Malta (Government of)	12 November 1997	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
32	Mexico (United Mexican States)	22 July 2010	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
33	Netherlands (Kingdom of the)	28 December 2008	See note 1 below	No right to tax royalties in source state	12(1) Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State. (2) The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of paragraph 1.
34	New Zealand (Government of)	23 July 2004	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
35	Norway (Kingdom of)	12 September 1996	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State provided such resident is the beneficial owner of the royalties.
36	Oman (Sultanate of)	29 December 2003	8%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that Contracting State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed eight per cent of the gross amount of the royalties.
37	Pakistan (Islamic Republic of)	09 March 1999	10%	All beneficial owners	12(2) However, such royalties or fees for technical services may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties or fees for technical services is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties or fees for technical services.
38	Poland (Republic of)	05 December 1995	10%	All beneficial owners	12(2) However, the royalties referred to in paragraph 1 of this Article may also be taxed in the Contracting State in which they arise and according to the laws of that State, but the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
39	Portugal (Portuguese Republic)	22 October 2008	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.

40	Qatar	02 December 2015	5%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties.
41	Romania (Government of)	21 October 1995	15%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient who is a resident of the other Contracting State beneficially owns the royalties, the tax so charged shall not exceed 15 per cent of the gross amount of the royalties.
42	Russia (Russian Federation)	26 June 2000	See note 1 below	No right to tax royalties in source state	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State may be taxed only in that other State.
43	Saudi Arabia (Kingdom of)	01 May 2008	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that Contracting State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
44	Singapore (Republic of)	16 December 2016	5%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
45	Slovak Republic	30 June 1999	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of the State, but if the recipient is the beneficial owner of the royalties the tax so charged shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
46	Spain (Kingdom of)	28 December 2007	5%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 5 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
47	Sweden (Kingdom of)	25 December 1995	See note 1 below	No right to tax royalties in source state if paid to beneficial owner who is subject to tax on that royalty in other state	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State if such resident is the beneficial owner of the royalties and is subject to tax thereon in that other State.
48	Switzerland (Swiss Confederation)	27 January 2009	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other State.
49	Taiwan (Republic of China)	12 September 1996	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient who is a resident of the other Contracting State beneficially owns the royalties, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation. (3) The provisions of paragraph 2 of this Article shall likewise apply to proceeds arising from the alienation of any copyright of scientific work, any patent, trade mark, design or model, plan, or secret formula or process.
50	Thailand (Kingdom of)	27 August 1996	15%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the recipient is the beneficial owner of the royalties, the tax so charged shall not exceed 15 per cent of the gross amount of the royalties.

51	Turkey (Republic of)	06 December 2006	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
52	Ukraine (Republic of)	29 December 2004	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.
53	United Arab Emirates	23 November 2016	10%	All beneficial owners	12(2) However, such royalties may also be taxed in the Contracting State in which they arise, and according to the laws of that State, but if the beneficial owner of the royalties is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this limitation.
54	United Kingdom of Great Britain & Northern Ireland	17 December 2002	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable only in that other State, if such resident is the beneficial owner of the royalties.
55	United States of America	28 December 1997	See note 1 below	No right to tax royalties in source state if paid to beneficial owner	12(1) Royalties derived and beneficially owned by a resident of a Contracting State shall be taxable only in that State.

Notes:

1 The source State may not impose a withholding tax. The amount is only taxable in the recipient's State of residence, subject to certain requirements (including beneficial ownership).