COUNTRY GUIDE / 2026 EDITION

# DOING BUSINESS IN MOROCCO 2026

*Set up, invest and grow a business in Morocco*

MARKET ENTRY / TAX / EMPLOYMENT / INVESTMENT / INTERNATIONAL FLOWS

INDICAC Audit & Advisory | Rabat

Independent member of BOKS International

# Morocco at a glance

*Key economic indicators and business locations*

| | | |
|---|---|---|
| **36,83 M**<br>Legal population · 2024 census | **1 720,2 Md**<br>2025 GDP · current MAD | **+4,9 %**<br>Real growth · 2025 |
| **64%**<br>Urbanisation rate · 2025 | **MAD**<br>Moroccan dirham | **GMT**<br>Usual time zone |

## A diversified and connected economy

Located at the crossroads of Europe, Africa and the Atlantic, Morocco benefits from well-developed port, motorway, rail and airport infrastructure. Its main business ecosystems include automotive, aerospace, agribusiness, textiles, chemicals and phosphates, tourism, offshoring and digital services, as well as renewable energy. Arabic and Amazigh are the official languages; French remains widely used in business.

> **Industrial acceleration zones:** Tanger Free Zone, Tanger Automotive City, Atlantic Free Zone in Kenitra, MidParc in Casablanca, Technopolis in Rabat and Oujda Technopole are among the main platforms. Eligibility, permitted activities, land availability and the applicable tax regime must be assessed for each project.

## Contents

# Company, subsidiary or branch?

## *Choosing the vehicle that fits the project and the desired level of autonomy*

For a foreign investor, the first decision is generally between incorporating a Moroccan company - often a subsidiary - and opening a branch of the foreign company. This choice affects liability, governance, financing, taxation and how business partners perceive the operation.

| Criterion | Moroccan company / subsidiary | Branch of a foreign company |
|---|---|---|
| Legal status | Separate legal entity with its own articles of association and assets. | Establishment with no separate legal personality; legally dependent on the parent company. |
| Liability | Generally limited to contributions for the forms presented on page 4. | The parent company is directly liable for the branch's commitments. |
| Governance | Local corporate bodies: manager, president, board or management board, depending on the form. | Local representative acting within the powers granted by the parent company. |
| Capital and financing | Share capital and contributions; may be opened to partners or investors. | No separate share capital; financing and resources are provided through the parent company. |
| Tax and accounts | Company profit taxed in Morocco; its own accounting, tax and social obligations. | Moroccan activity generally treated as a taxable establishment; local obligations and tax treaties must be reviewed. |
| Typical use | Long-term presence, recruitment, local contracts, partnerships and separation of risks. | Targeted launch phase or activity managed directly by the parent company. |

> **In practice:** a company is often preferred for a lasting and autonomous presence. A branch may suit a parent company that wishes to retain a direct legal link, but it does not ring-fence the parent's risks. A representative office with no commercial activity requires a separate analysis.

### Implementation roadmap

1. **Define the project:** activity, ownership, beneficial owners, director or representative, registered office and authorisations.
2. **Prepare the file:** company name, articles of association or opening resolution, parent-company documents, and any required translations and legalisations.
3. **Register and declare:** Commercial Register, tax identifiers and ICE, statutory publications, then CNSS registration if the entity employs staff.
4. **Organise the launch:** bank account, contracts, accounting, invoicing, payroll and compliance calendar.

# Main legal forms

## *Comparing the most widely used vehicles in Morocco*

According to OMPIC, the single-member SARL (SARL AU) remains the legal form most frequently chosen by founders of legal entities in 2026. However, popularity does not replace an analysis of ownership, decision-making powers, future transfers and financing needs.

| Form | Partners / shareholders | Capital | Governance and typical use |
|---|---|---|---|
| SARL | 2 to 50 partners; liability limited to contributions. | Freely determined. | One or more individual managers. Common for SMEs, subsidiaries and joint ventures with straightforward governance. |
| SARL AU | One partner; liability limited to contributions. | Freely determined. | Individual manager. Suitable for a wholly owned subsidiary or a sole entrepreneur. Restrictions on chains of single-member companies must be reviewed. |
| SAS | Two or more partners; liability limited to contributions. | Freely determined. | A president is mandatory; organisation is set by the articles. Suitable for investors, complex shareholders’ agreements and growth projects. |
| SAS AU | One shareholder. | Freely determined. | A president is mandatory; decisions are made by the sole shareholder. Flexible for a group subsidiary requiring tailored governance. |
| SA | At least 5 shareholders. | MAD 300,000; MAD 3,000,000 for a public offering. | Board of directors or management board/supervisory board. Statutory audit. Major projects and capital raising. |

### How should you choose?

**SARL / SARL AU:** simplicity and a well-established legal framework.

**SAS / SASU:** contractual flexibility, useful when voting rights, share transfers or decision-making bodies need to be tailored.

**SA:** a more institutional structure, suitable for a broad shareholder base, a significant investment or a future capital-markets transaction.

> **Structuring advice:** the legal-form decision should not be separated from financing, governance rules, the investment agreement and foreign-exchange regulations. These companies are generally subject to CIT; exemptions depend mainly on the activity, status, location and compliance with statutory conditions.

02 / TAXATION

# Corporate taxation

### *Rates to factor into the operating budget*

Overview of the standard regime for a company subject to corporate income tax (CIT). Exemptions, special statuses and tax treaties require a separate analysis. [1]

| Tax / transaction | 2026 reference | Tax base / scope |
|---|---|---|
| CIT - standard regime | 20 % | Net taxable profit below MAD 100 million, subject to the rules governing continued eligibility for the rate. |
| CIT - high profit | 35 % | Net taxable profit of at least MAD 100 million; exclusions and special regimes apply. |
| CIT - financial sector | 40 % | Institutions and entities covered by Article 19-I-C; statutory exceptions apply. |
| TVA | 20 % / 10 % | Standard rate / main reduced rate. Transaction classification and exemptions must be checked. |
| Dividends - withholding | 10 % | Exemptions and tax treaties must be reviewed. |
| Certain payments to non-residents | 10 % | Gross income covered by Article 15, excluding VAT; subject to the applicable tax treaty. |

## Social Solidarity Contribution (CSS)

In addition to CIT, the CSS applies to eligible companies whose taxable profit reaches MAD 1 million. The proportional rate applies to the entire corresponding tax base; it is not a progressive scale. The measure has been extended through 2028.

| Annual taxable profit | CSS rate |
|---|---:|
| MAD 1 million to under MAD 5 million | 1,5 % |
| MAD 5 million to under MAD 10 million | 2,5 % |
| MAD 10 million to under MAD 40 million | 3,5 % |
| MAD 40 million and above | 5 % |

## Minimum tax contribution and other tax costs

The minimum tax contribution is generally 0.25% of the statutory base excluding VAT, with a minimum of MAD 3,000 for companies subject to CIT. The start-up exemption generally covers 36 months, without exceeding 60 months after incorporation. Exceptions and specific rates apply.

> **To be checked transaction by transaction:** withholding taxes on VAT, fees or rent; registration duties; local taxes; and transfer pricing. A CIT exemption does not automatically exempt the company from all other taxes.

03 / TAX INCENTIVES

# Main CIT exemptions

## *Identifying the benefit, its tax base and its conditions*

The Moroccan General Tax Code provides several full exemptions and targeted reductions. They do not apply to every newly incorporated company: eligibility depends on the activity, status, location, timing and filing obligations.

| Activity or status | Main benefit | Key conditions and limitations |
|---|---|---|
| Industry and service outsourcing | Full CIT exemption for the first 5 financial years from the start of operations. | Industrial activities specified by regulation; outsourcing must comply with the applicable rules. The exact activity should be classified before the investment. |
| Industrial Acceleration Zone (ZAI) | Full CIT exemption for the first 5 financial years; 20% thereafter, even if profit reaches MAD 100 million. | The company must be genuinely established and operating in the zone. Exclusions notably cover construction or assembly sites, credit institutions and insurance companies. |
| Casablanca Finance City - service companies | Full exemption for 5 financial years from the first year in which the status is granted; 20% thereafter. | The exemption ends no later than 60 months after incorporation. Credit institutions and insurers are excluded. CFC status and substance must be maintained. |
| Hotels and certain tourism activities | Full exemption for 5 years on the share of profit corresponding to revenue earned in repatriated foreign currency. | Eligible establishments and activities; foreign-currency revenue must be tracked separately and a supporting schedule filed with the returns. |
| Sports companies | Full exemption for 5 consecutive financial years. | Company incorporated under Law No. 30-09; the period starts with the first taxable sale. |
| Agricultural income | Permanent exemption for agricultural income when annual agricultural revenue is below MAD 5 million. | The exemption does not cover non-agricultural income. After exceeding and then falling back below the threshold, the three-consecutive-year condition applies. |

Holders of hydrocarbon-field operating concessions benefit from a ten-year exemption from the start of regular production. Other permanent exemptions cover specific entities or transactions and do not constitute a general investment regime.

## Other useful reliefs

**Intragroup dividends:** dividends paid to a company headquartered in Morocco and subject to CIT may, subject to documentary requirements, benefit from a withholding exemption and a 100% deduction for the recipient, notably subject to the rules applicable to OPCIs.

**Major investments:** a company incorporated since 1 January 2023 that invests at least MAD 1.5 billion under an agreement with the State may remain subject to the 20% rate instead of 35%, subject to investment and retention conditions.

**Stock-exchange listing:** 25% or 50% CIT reduction for three years, depending on the terms of the transaction and statutory exclusions.

> **The exemption should be confirmed before it is claimed.** Check the starting date, the activity actually carried on, the eligible share of profit, supporting schedules and clawback provisions. VAT, withholding taxes, the minimum contribution, CSS, local taxes and social obligations may remain payable.

The Investment Charter may provide grants depending on the project and the applicable criteria. These financial incentives are distinct from an automatic CIT exemption. See the summary on page 7.

# Investment Charter

## *Grants to incorporate into the project's financing structure*

Framework Law No. 03-22 organises public support around one main scheme and three specific schemes. It notably targets stable employment, territorial equity, priority sectors, local integration and sustainable investment. Access to a grant requires project appraisal and an agreement; it does not arise merely from incorporating a company.

| Scheme | Key point |
|---|---|
| Main support scheme | Projects meeting investment and employment criteria: investment of at least MAD 50 million and creation of at least 50 stable jobs, or creation of at least 150 stable jobs. |
| Strategic projects | Specific, tailored support measures. They notably cover projects of at least MAD 2 billion meeting one of the prescribed strategic criteria, as well as defence-industry projects. |
| TPME | Scheme implemented through calls for projects, with three cumulative grants linked to stable employment, location and priority activities. Combined support may reach 30% of eligible investment expenditure. |
| Internationalisation | Specific scheme supporting the international development of Moroccan companies, in accordance with the applicable rules and implementation arrangements. |

## Grants under the main scheme

**Common grants:** they notably reward the creation of stable jobs, employment of women, future-oriented occupations and higher value-added activities, sustainable investment and local integration.

**Territorial grant:** 10% or 15% of the eligible amount, depending on the qualifying province or prefecture.

**Sector grant:** 5% for priority activities specified by law, notably industry, tourism and leisure, outsourcing, digital services, renewable energy, waste recovery, logistics and transport, aquaculture and cultural industries.

> **Overall cap:** the common, territorial and sector grants under the main scheme may be combined up to 30% of eligible investment expenditure. For renewable-energy production projects, the grant is capped at MAD 30 million.

## Securing the application

1. **Pre-qualify the project** with the relevant Regional Investment Centre (CRI): activity, location, eligible investment, stable jobs and timeline.
2. **Document the commitments:** financing, land, authorisations, sustainability, local integration, jobs and performance indicators.
3. **Execute the agreement** and meet its milestones before including the grant in the financing plan.

# Salaries and social contributions

*Distinguishing gross pay, employee deductions and employer cost*

## Statutory minimums and working time

**Non-agricultural SMIG:** MAD 17.92 per hour since 1 January 2026, equivalent to gross pay of MAD 3,422.72 based on 191 hours. **Agricultural SMAG:** MAD 97.44 per day since 1 April 2026. These statutory minimums are not a market salary scale.

In non-agricultural activities, normal working time is 44 hours per week or 2,288 hours per year. After six months of continuous service, an adult employee’s basic annual leave is 1.5 working days per month of service, subject to more favourable provisions and statutory increases.

## Employee general-scheme contributions

| Contribution | Employer | Employee | Monthly base |
| --- | ---: | ---: | --- |
| Short-term social benefits, including IPE | 1,05 % | 0,52 % | Capped at 6,000 |
| Long-term social benefits | 7,93 % | 3,96 % | Capped at 6,000 |
| Family benefits | 6,40 % | - | Uncapped |
| AMO, including solidarity contribution | 4,11 % | 2,26 % | Uncapped |
| Vocational training | 1,60 % | - | Uncapped |

Excluding special regimes, occupational accident insurance, supplementary pensions and specific benefits. The social-security base depends on how each remuneration item is classified.

> **The aggregate-rate trap.** The total rates of 21.09% for the employer and 6.74% for the employee apply to the same salary base only up to the MAD 6,000 ceiling. Above that amount, each contribution must be calculated separately.

## Before hiring

Formalise the contract, position, gross pay, benefits and probation period; organise CNSS reporting, leave and working-time records. For a foreign employee, review the employment-contract visa and the separate residence formalities.

06 / EMPLOYMENT INCENTIVES

# Recruiting and training

## *Using incentive schemes without putting payroll compliance at risk*

The main schemes combine personal income tax (PIT) exemptions, social-security support or training assistance. They require prior confirmation of eligibility, the appropriate contract and completion of the formalities with ANAPEC, CNSS and the tax authorities.

| Scheme | Benefit | Main conditions in 2026 |
|---|---|---|
| TAHFIZ | For 24 months: PIT exemption on monthly gross salary capped at MAD 10,000; the State covers the employer's CNSS contribution and vocational training tax under the scheme. | Company, association or cooperative established between 1 January 2015 and 31 December 2026; maximum 10 employees; open-ended contract (CDI); hiring within the first 2 years after operations begin. ANAPEC/CNSS activation is required. |
| Insertion internship - IDMAJ | PIT exemption on the gross monthly allowance capped at MAD 6,000 for 12 months. After hiring under an open-ended contract (CDI), PIT exemption on gross salary capped at MAD 10,000 for 24 months. | Trainee registered with ANAPEC; the exemption may be used only once, with possible continuation at another employer within the 12-month limit; commitment to permanently hire at least 60% of trainees. |
| Doctoral candidates - research | PIT exemption for gross remuneration and allowances not exceeding MAD 6,000 per month for 36 months. | Student enrolled in a doctoral programme; the research contract and conditions under the General Tax Code must be documented. Relevant for R&D activities. |
| TAEHIL and training | Training tailored to the position may be financed or co-financed; special training contracts may be used under the applicable rules. | The programme and budget must be approved in advance by the competent body. This support is neither automatic nor equivalent to a general exemption from contributions. |

> **Observe the ceilings.** Under TAHFIZ and an insertion contract followed by an open-ended contract (CDI), gross pay above MAD 10,000 results in the loss of the PIT exemption. For the internship allowance, exceeding the MAD 6,000 ceiling also results in the loss of the exemption.

### Compliance roadmap

1. **Check eligibility before signing:** incorporation and start-of-operations dates, candidate profile, number of beneficiaries and type of contract.
2. **Have the application approved and registered** by the competent bodies before applying the benefit through payroll.
3. **Configure payroll separately:** PIT, covered employer contributions, contributions still payable, and the benefit's start and end dates.
4. **Retain supporting documents:** contract, ANAPEC certificate, CNSS approval, payslips, returns and evidence that hiring commitments have been met.

07 / OPERATING COMPLIANCE

# Personal income tax and international flows

*Rules to consider from the first contracts*

## PIT: standard annual scale

The scale applies to net taxable income after permitted deductions, not directly to gross salary. It is progressive by bands. Employment income tax is withheld by the employer.

| Annual net taxable income band | Marginal rate |
|---|---|
| Up to 40,000 | 0 % |
| Over 40,000 and up to 60,000 | 10 % |
| Over 60,000 and up to 80,000 | 20 % |
| Over 80,000 and up to 100,000 | 30 % |
| Over 100,000 and up to 180,000 | 34 % |
| Over 180,000 | 37 % |

Expatriate assignments also require a review of tax residence, double-tax treaties and, where available, social-security agreements. The place where salary is paid is not sufficient to determine its tax treatment.

## Financing the investment and transferring income

The convertibility regime notably covers foreign investments made in accordance with the regulations and financed in foreign currency. Subject to conditions and supporting documents, it permits the transfer of income, disposal or liquidation proceeds, and repayment of eligible financing.

> **Retain evidence of financing from the outset:** bank transfers, foreign-exchange certificates, contracts, corporate documents and tax evidence. The bank reviews the transfer file; the convertibility guarantee does not remove the need to provide these documents.

## Cross-border contracts and transactions

Before invoicing or paying a foreign entity, check the nature of the service, VAT place-of-supply rules, withholding tax, the applicable tax treaty and the documents required by the bank. Intragroup flows must be substantiated and documented; a commercial presence in Morocco may create a permanent-establishment issue.

## A compliance calendar from day one

**Each month:** payroll, social contributions and tax withholdings by the applicable deadlines. **VAT:** monthly or quarterly filing, depending on the regime.

**During the financial year:** CIT instalments.

**After year-end:** annual accounts, tax return and CIT balance; CSS where applicable. A company subject to CIT generally files its income tax return within three months of year-end.

Also allow for corporate-law obligations, payment-term reporting where applicable and sector-specific authorisations. The calendar should be tailored to the activity and financial year-end.

08 / YOUR LOCAL CONTACT

# INDICAC in Morocco

*Local expertise and support for international projects*

INDICAC Audit & Advisory is an accounting, audit and advisory firm based in Rabat, a member of the Moroccan Institute of Chartered Accountants and an independent member of BOKS International.

## How we can help

**Market entry and corporate:** incorporation, organisation and capital transactions. **Accounting and reporting:** bookkeeping, supervision and financial statements. **Tax:** ongoing compliance, international tax and support during audits. **Payroll and HR:** payroll and social filings. **Audit and advisory:** audit, due diligence and transaction support.

**Let's discuss your project in Morocco**
Iliass Kanoun - Managing Partner
contact@indicac.ma | +212 661 388 752 | www.indicac.ma
6 Avenue Azzaytoune, Résidence Mabrouka 1, Sector 15, Hay Riad, Rabat - Morocco

## Disclaimer

This guide provides general information as of the stated date. It does not constitute legal, tax, employment or financial advice tailored to a particular transaction. Rates, thresholds, conditions and administrative practices may change; eligibility for an exemption or incentive must be confirmed in light of the project, the applicable rules and the available supporting documents.