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Company formation in Kuwait

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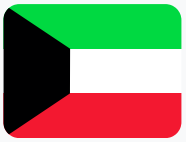

Flag



Emblem

Common form	WLL (with limited liability) company [1]
Registry	Ministry of Commerce and Industry [1]
Minimum capital	No statutory minimum for most activities [1]
Directors	1 manager [1]
Local director	100% foreign ownership needs a licence from the Kuwait Direct Investment Promotion Authority (KDIPA) [1]
Corporate tax	15% on the profits of foreign corporate bodies; Kuwaiti-owned companies pay zakat and other levies instead [2]
VAT / sales tax	None [2]
Typical timeline	Usually 1–2 months [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Kuwaiti dinar (KWD)

In short: To set up a company in Kuwait, most founders form a WLL, registered with the Ministry of Commerce and Industry. [1] Minimum capital: no statutory minimum for most activities. Corporate tax: 15% on the profits of foreign corporate bodies; Kuwaiti-owned companies pay zakat and other levies instead. Registration: usually 1–2 months (as of November 2026).

Short guide. Tax figures come from PwC Worldwide Tax Summaries (reviewed 22 July 2026); company-law details summarise official guidance and can change. Confirm requirements with the Ministry of Commerce and Industry before filing.

Kuwait taxes the Kuwait-source profits of foreign corporate bodies at 15%; companies owned by Kuwaitis and other GCC nationals instead pay zakat and other levies. A **WLL** is registered with the Ministry of Commerce and Industry.

Business structures

Most founders in Kuwait form a WLL, registered with the Ministry of Commerce and Industry. [1] Other forms are listed below.

- **WLL** – the usual company form for private businesses

Requirements

Minimum share capital in Kuwait (2026): no statutory minimum for most activities. Directors required: 1 manager. Local resident director: 100% foreign ownership needs a licence from the Kuwait Direct Investment Promotion Authority (KDIPA). [1]

- A company name that is available, checked with the registry.
- Share capital: no statutory minimum for most activities.
- Directors: 1 manager.
- Local residency: 100% foreign ownership needs a licence from the Kuwait Direct Investment Promotion Authority (KDIPA).
- A registered office address in Kuwait.
- Articles of association; standard templates are often available.

Registration process

Typical time to register a company in Kuwait (2026): usually 1–2 months. [1] The usual steps are:

1. Choose the company form and check that the name is available.

2. Prepare and sign the articles of association.
3. File the registration with the Ministry of Commerce and Industry.
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax with the Ministry of Finance (Tax Administration).

Taxation

The corporate tax rate in Kuwait in 2026 is 15% on the profits of foreign corporate bodies; Kuwaiti-owned companies pay zakat and other levies instead. [2] **Standard VAT or sales tax: none.** [2]

Tax	Rate and notes
Corporate income tax	15% on the profits of foreign corporate bodies; Kuwaiti-owned companies pay zakat and other levies instead
VAT / indirect tax	None
Withholding tax on dividends to non-resident companies	0%

Ongoing compliance

Annual compliance in Kuwait: Companies file annual financial statements and tax returns with the Ministry of Finance (Tax Administration), and keep their details up to date with the Ministry of Commerce and Industry. [1]

Double tax treaties

Kuwait has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
0%	0%	0%

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Kuwait lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Kuwait?

Typical registration time in Kuwait: usually 1–2 months (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Kuwait?

Minimum share capital in Kuwait: no statutory minimum for most activities (as of November 2026).

What is the corporate tax rate in Kuwait in 2026?

The corporate tax rate in Kuwait in 2026 is 15% on the profits of foreign corporate bodies; Kuwaiti-owned companies pay zakat and other levies instead. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Kuwait?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in Kuwait: 100% foreign ownership needs a licence from the Kuwait Direct Investment Promotion Authority (KDIPA).

What withholding tax applies to dividends paid from Kuwait?

Kuwait charges no withholding tax on dividends paid to non-resident companies under domestic law. See the Double tax treaties section.

Official registries and resources

- Ministry of Commerce and Industry
- Ministry of Finance (Tax Administration)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in Georgia
- Company formation in the United Arab Emirates
- Company formation in Armenia
- Company formation in Saudi Arabia
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Ministry of Commerce and Industry . Government of Kuwait. Accessed November 2026.
2. Official Ministry of Finance (Tax Administration) . Government of Kuwait. Accessed November 2026.
3. Kuwait: Corporate – Taxes on corporate income (reviewed 22 July 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
4. Quick charts: Corporate income tax (CIT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
5. Quick charts: Value-added tax (VAT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
6. Quick charts: Withholding tax (WHT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
7. Kuwait: Corporate – Withholding taxes . PwC Worldwide Tax Summaries. Accessed November 2026.

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