



Revenue Services Lesotho Empowers clients with Training on International Tax Agreements

Maseru, Lesotho –5 September 2025 - Revenue Services Lesotho (RSL) today hosted a training for businesses and clients at Victory Hall Maseru. The session focused on the vital role of withholding agents in implementing Lesotho's Double Taxation Agreements (DTAs) and ensuring compliance with the Income Tax Act of 1993.

The Kingdom of Lesotho entered into DTAs with several key international partners to eliminate double taxation and prevent tax evasion. These agreements provide significant benefits, primarily in the form of reduced tax rates, for residents of Lesotho and the treaty partners:

The Kingdom of Eswatini

The Republic of Botswana

The Republic of Mauritius

The Republic of South Africa

The United Kingdom

As each DTA is unique, the training provided essential guidance on the different tax treatments and benefits applicable under each agreement. A core message of the workshop was the legal responsibility of Lesotho-based payers, known as 'withholding agents'

The training covered the core objectives and mechanisms of DTAs, including:

- The elimination of juridical double taxation to ensure income is not taxed twice.
- Creating certainty of tax treatment for investors and traders.
- Granting reduced withholding tax rates on various types of income.
- Lowering compliance costs for businesses operating across borders.
- Preventing tax discrimination to ensure all taxpayers are treated equally.
- Providing a framework for dispute resolution between treaty partners.



It also detailed key steps for compliance:

Withhold the Tax: The Lesotho payer (withholding agent) must deduct the correct amount of tax from the payment due to the non-resident, as stipulated by the relevant DTA and the Income Tax Act.

Remit to RSL: The tax withheld must be promptly remitted to the Revenue Services Lesotho.

Issue a Certificate: The withholding agent must issue a withholding certificate to the non-resident and submit a copy to the RSL.

Today's event is part of RSL's ongoing commitment to fostering a culture of voluntary compliance and providing stakeholders with the knowledge needed to navigate the complexities of international taxation. By equipping businesses with this information, RSL aims to facilitate smoother international trade and investment for Lesotho, while safeguarding the nation's tax base.

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For clarification, please contact RSL's PR Desk: 62112502/58839868