



BROIDE & CO.
Certified Public Accountants (Isr.)

January 2019

The Law for Minimizing the Use of Cash

- The law has been approved by the Knesset and is effective as of January 1st, 2019
- The restrictions apply to a transaction of purchase or sale of an asset\good or the provision or receipt of a service
- The price includes VAT, purchase and other indirect taxes and accompanying charges agreed between the parties
- Restrictions on use of cash:

	IN THE COURSE OF BUSINESS: MAY NOT EXCEED (CEILING)	PRIVATE: MAY NOT EXCEED
	NIS	NIS
TRANSACTIONS	11,000*	50,000
DEAL – TOURIST	55,000	-
SALARY\WAGES\LOAN	11,000	11,000
GIFT	50,000	50,000

*Where the amount of the transaction exceeds NIS 11,000 then the ceiling is the lower of NIS 11,000 or 10% of all the amount of the transaction.

- Severe restrictions apply to use of open\uncrossed cheques, including endorsements thereof

This law has only recently been promulgated and further clarifications and guidelines are required. It is strongly recommended that specific professional advice be taken on these matters.

The restrictions on use of cash and “open” cheques are far-reaching and close attention should be given to compliance.

