

Bahrain & GCC Tax News



19 October 2023

PMG Tax Seminar on the changing tax landscape in Bahrain and the region

We are pleased to invite you to our upcoming Tax Seminar hosted by our tax experts on 23 October 2023 at the Ritz Carlton Hotel, Al Seef from 8:30 AM onwards. During the seminar, our expert speakers will cover:

- Basics of CIT
- Snapshot of CIT in the GCC
- Computation of taxable income
- Transfer pricing and key international tax concepts
- BEPS Pillar 2 and GloBE rules update
- Basics of e-invoicing and key features of the KSA e-invoicing model
- Lessons learnt from KSA on e-invoicing and from UAE on CIT implementation
- Practical steps Bahrain businesses can take to ensure readiness

Click [here](#) to register.

For assistance with seminar registration, please contact Khalid Seyadi (kseyadi@kpmg.com).

Whilst the date of implementation of CIT or e-invoicing in Bahrain has not yet been announced, our seminars are intended to provide Bahrain businesses with insights on leading practice. Businesses that act proactively will be better prepared to deal with the challenges of the rapidly evolving tax landscape.

Introduction of Carbon Border Adjustment Mechanism (CBAM) regulation for specified goods

The European Union (EU) has introduced the CBAM regulation which applies to specified imports of goods (identified by their CN code) into the EU within the following 6 emissions-intensive sectors: electricity, iron and steel, cement, aluminum and fertilizers and hydrogen. The CBAM comes into effect on 1 October 2023 with a transitional period that runs until 31 December 2025, during which the obligations of the EU importer shall be limited to reporting obligations. The first quarterly report is due by 31 January 2024.

Bahrain businesses that are exporting CBAM covered goods to the EU should assess the impact that the CBAM regulations will have on their operations.

For a discussion about how CBAM impacts your business, please [contact us](#).

Kingdom Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) issues public consultation on Customs Procedures Controls

ZATCA has recently published the Draft Controls Governing Customs Procedures which is available for public consultation on the 'Istitlaa' portal.

Click [here](#) to view the Draft Controls Governing Customs Procedures document. (In Arabic)

United Arab Emirates (UAE)

Federal Tax Authority (FTA) releases CIT guide on participation exemption

On 16 October 2023, the FTA released a guide on UAE CIT treatment of dividends and participation exemption.

Click [here](#) to view the guide.

UAE signs Comprehensive Economic Partnership Agreement (CEPA) with Georgia

On 10 October 2023, UAE and Georgia signed a CEPA in Dubai. Once in force, the agreement is expected to be beneficial for trade and investment relations between the 2 countries.

UAE Cabinet approves tax treaty with Tanzania

On 9 October 2023, the UAE Cabinet approved the tax treaty with Tanzania, initially signed on 27 September 2022.

UAE Cabinet authorizes Investment Protection Agreement (IPA) with Barbados

On 9 October 2023, the UAE Cabinet authorized the signing of an IPA with Barbados.

Qatar

Qatar – Ukraine tax treaty updated

On 16 August 2023, Qatar's Emir issued instruments of ratification of the amending protocol signed on 2 September 2021 to the Qatar - Ukraine Income Tax Treaty (2018).

For a detailed discussion on how the above updates may impact your business, [contact us](#).

Mubeen Khadir

Partner - Head of Tax & Corporate Services

T: +973 3222 6811

E: mubeenkhadir@kpmg.Com

home.kpmg/bh

© 2023 KPMG Fakhro, a Bahrain partnership registered with the Ministry of Industry and Commerce (MOIC), Kingdom of Bahrain and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Throughout this release, "we", "KPMG", "us" and "our" refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.