

Bahrain & GCC Tax News



5 February 2024

Bahrain

Minister of Finance & National Economy meets with the parliament's Financial and Economic Affairs Committee to discuss potential introduction of Corporate Income Tax (CIT)

As per local news reports, H.E. Sheikh Salman Bin Khalifa Al Khalifa, the Minister of Finance and National Economy met with the Financial and Economic Affairs Committee of the Council of Representatives to discuss plans of widening the scope of taxes and the potential introduction of a CIT regime in Bahrain. The draft CIT law is expected to be presented to the legislative authority in March 2024. Given the Bahrain CIT is likely to apply to all commercial activities with limited exclusions, this will be a paradigm shift for Bahrain businesses.

Click [here](#) to read our Tax Insights on introduction of CIT in Bahrain.

Click [here](#) to read our Tax Insights on Bahrain CIT and calculation of 'taxable income'.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax, and Customs Authority (ZATCA) reminds taxpayers under the fourth wave of their Phase 2 e-invoicing integration deadline

ZATCA has recently reminded taxpayers in KSA falling under the third wave of e-invoicing Phase 2 (integration phase) to ensure their systems are integrated with ZATCA's platform by 29 February 2024.

ZATCA issues new guideline on the taxation of software payments in the context of domestic income tax law

ZATCA has issued a new guideline which clarifies the tax treatment of different software payments resulting from transactions made between residents and non-residents and between non-residents and a permanent establishment in KSA.

Click [here](#) to view the relevant guideline.

United Arab Emirates (UAE)

Dubai Customs approves amendments to the Unified Commodity Description & Coding table of the GCC

On 9 January 2024, Dubai Customs published Customs Notice No. (1/2024) to approve the 2024 amendments to the Unified Customs Tariff Table of the GCC States. Customs authorities from the other GCC states are also expected to announce their updated tariffs soon.

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

Oman

Chairman of Oman Tax Authority (OTA) appointed by royal decree

On 31 January 2024, His Majesty Sultan Haitham bin Tarik issued Royal Decree No (6/2024) appointing HE Nasser bin Khamis bin Ali Al-Jashmi as Chairman of the OTA.

Oman signs tax treaty with Cyprus

On 28 January 2024, Oman and Cyprus finalized a tax treaty during a meeting held between officials from both countries.

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

kpmg.com/bh

© 2024 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.