



Bahrain & GCC Tax News

Bahrain

Bahrain signs the Multilateral Convention (“MLI”)

On 27 November 2020, Bahrain signed the MLI to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS) – becoming the 95th jurisdiction to join the MLI.

Click [here](#) to read the detailed KPMG Tax Alert.

Kingdom of Saudi Arabia (“KSA”)

General Authority of Zakat & Tax (“GAZT”) has invited taxpayers and specialists to share their opinion and suggestions on the draft Real Estate Transaction Tax (“RETT”) Law

GAZT has invited interested parties, stakeholders, and the public, to express their opinions and submit their proposals on the draft of RETT Law latest by 25 December 2020. Opinions and suggestions should be sent to the following email address: public_consul@gazt.gov.sa.

Click [here](#) to read more (in Arabic).

Click [here](#) to access the draft RETT Law (in Arabic).

KSA has no plans to reconsider the VAT rate in short to medium term

It had been previously reported widely by the local as well as international media that KSA will review its VAT rate increase after the coronavirus pandemic ends. However, Finance Minister Mohammed Al Jadaan has clarified that there are no plans to reconsider the VAT rate in the short to medium term.

United Arab Emirates (“UAE”)

Dubai Customs offers 80% discount on customs fines

On 25 November 2020, Dubai Customs announced that 80% discount will be offered on fines for customs cases and violations detected or committed before 31 March 2020. This initiative is part of the economic stimulus package announced by the Government of Dubai to alleviate the burden on businesses and help them navigate the challenges faced by businesses due to the impact of COVID-19.

Click [here](#) to read more.

Mandatory contract reporting in the new tax portal (Dhareeba)

In accordance with Circular No (5) issued by the General Tax Authority ("GTA"), all taxpayers are now to submit/report the contracts signed by taxpayers through the portal. Taxpayers should ensure that the notification is filed with the GTA within 30 days from the date of execution of the following contracts:

- Purchase contracts (entered with suppliers)
- Sale contracts (entered with customers)

Failure to submit the notification within the 30 days period could lead to a penalty of QAR 10,000/- per contract.

The above is for general information only and is not intended to address the circumstances of any particular scenario. Please seek professional advice in relation to your particular circumstances.

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

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