

4 August 2021

Bahrain

Joint cooperation between Civil Service Bureau (CSB) and National Bureau for Revenue (NBR)

On 28 July 2021, the CSB and NBR announced their joint cooperation on the implementation and modernization of the quality management systems at NBR.

Click [here](#) to read more.

Customs Affairs unveils an updated edition of the e-payment service

On 11 July 2021, Customs Affairs unveiled the updated edition of the e-payment facility for customs fees and taxes. According to the new version developed in collaboration with the Information & eGovernment Authority, beneficiaries can now submit all payments in a single transaction in less than 30 seconds.

Click [here](#) to read more.

NBR reminds taxpayers subject to VAT to submit their July 2021 tax returns by the deadline

On 2 August 2021, NBR reminded taxpayers subject to VAT to submit their July 2021 VAT returns and pay VAT liabilities by 31 August 2021.

Click [here](#) to access the announcement.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) holds meeting with the General Directorate of Boarder Guard

On 3 August 2021, ZATCA and the General Directorate of Border Guard held a meeting to discuss ways to enhance cooperation and integration between the two authorities to achieve the advancement of joint work and support integrative work.

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

ZATCA stops an attempt to smuggle over 8.7 million pills of illegal drugs

On 1 August 2021, ZATCA reported that it had foiled an attempt to smuggle over 8.7 million pills of illegal drugs which were hidden by the smuggles in a shipment of cocoa beans. Click [here](#) to read more (in Arabic).

ZATCA launches the “Zakat Clauses” platform and requests the opinions of accountants and specialists

On 29 July 2021, ZATCA launched its “Zakat Clauses” platform and requests the opinions of accountants and specialists. The platform enables accountants and specialists to identify the Zakat treatments for the items of the statement of financial position in accordance with the Executive Regulations for levying Zakat and the rules for calculating Zakat on financing activities.

Click [here](#) to read more.

KSA sets new rules for fruits and vegetables imports

KSA's Ministry of Environment, Water, and Agriculture called on fruit and vegetable suppliers to complete all formalities to obtain import licenses by 9 August 2021. If no licenses are obtained by the deadline, the suppliers will not be allowed to import fruits and vegetables.

Click [here](#) to read more.

United Arab Emirates (UAE)

Dubai Customs launches a trader export report service to enhance compliance, abidance and revenues

On 31 July 2021, Dubai Customs in cooperation with the Federal Tax Authority (FTA) launched a trader export report service in the Dubai Trade portal. The aim of introducing this service is to ensure traders have the required documents to zero rate the exports.

Traders have to meet all the Zero Rating requirements including having an exit certificate and commercial documents that prove exportation process, and exporting the shipment within the specified time frame. This service applies only to imported goods that will be exported later and not to goods possessed locally.

Click [here](#) to read more.

Investment Protection Agreement (IPA) between UAE and Uruguay enters into force

On 28 July 2021, the IPA between UAE and Uruguay which has been signed on 24 October 2018 has entered into force.

BEPS Inclusive Framework – Global Minimum Taxation

On 1 July 2021, in a historic agreement, 130 countries approved a statement providing a framework for reform of international tax rules. These countries (including Bahrain) are members of the OECD/G20 Inclusive Framework on BEPS, comprising 139 countries. The statement sets forth the key terms for an agreement of a two-pillar approach to reforms and calls for a comprehensive agreement by the October 2021 G20 Finance Ministers and Central Bank Governors meeting, with changes coming into effect in 2023.

What does this mean for Bahrain businesses and will this act as a catalyst for the introduction of corporate tax in Bahrain?

Whilst BEPS may be a complex subject - the KPMG Bahrain tax team has prepared a handy [FAQs guide](#) to help readers decode the theory behind the Global Minimum Tax and how this may impact the tax landscape in Bahrain.

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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Setting up a new business? Expanding or restructuring an existing one?

KPMG can assist with selecting the most suitable legal entity and support you with all required regulatory approvals and licenses. We provide commercially focused regulatory and business advice for organizations to maintain compliance with the Bahrain Commercial Companies Law, Central Bank of Bahrain rulebook, other local regulations and leading industry practices.

Click [here](#) to learn more about KPMG Corporate Services

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