

5 January 2022

Bahrain

National Bureau for Revenue (NBR) issues Transitional Rules Mechanism Examples

Following the issuance of the VAT Rate Change Transitional Provisions Guide and updated VAT FAQs, on 29 December 2021 the NBR shared Transitional Rules Mechanism Examples with taxpayers. The publication outlines various illustrations which are intended to explain the application of the VAT rate increase transitional provisions.

Click [here](#) to access the Examples of Transitional Rules Mechanism published by the NBR

Click [here](#) to access the recent Tax Learnings published by the KPMG Bahrain tax team about the key issues with application of VAT rate change transitional rules

NBR updates VAT guidelines

Following the VAT rate increase in Bahrain, the NBR has published updated versions of the following VAT guides:

- [Imports and Exports VAT Guide](#)
- [VAT Registration Guide](#)
- [VAT Retail and Wholesale Guide](#)
- [VAT Financial Services Guide](#)

Click [here](#) to access a summary of the changes prepared by the KPMG Bahrain tax team

VAT violations detected by NBR during inspections

The NBR recently carried out field inspections to check the implementation of the increased VAT rate of 10%. Multiple violations, including cases that can be potentially considered as VAT evasion, were detected and monetary penalties were imposed by NBR.

Legal action on outlets selling tobacco products for violating excise tax law

Following a notification by the NBR, the Public Prosecution recently charged seven outlets for evading over BHD 500,000/- in excise taxes due on importation and sale of tobacco and tobacco products.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) publishes VAT guidelines for contracting sector

ZATCA recently published the VAT guidelines for the contracting sector. The guidelines discuss application of VAT on construction and contracting services.

Click [here](#) to access the guideline (in Arabic)

ZATCA publishes updated customs tariffs

ZATCA has recently updated the customs tariffs for multiple goods with an effective date of 1 January 2022.

Click [here](#) to access the updated tariffs

United Arab Emirates (UAE)

Federal Tax Authority (FTA) shares multiple infographics

The FTA has recently shared a number of infographics on its social media platforms including the following:

- Procedures and steps necessary for the Renewal of the Designated Zone Registration
- Paying tax liabilities using the GIBAN number
- The terms and conditions of the amendment of Tax Agent records service

UAE Tax treaty updates

- On 27 December 2021, Israel approved the Israel - UAE Income Tax Treaty.
- The Kazakhstan Ministry of Finance recently published the English and Russian synthesized texts of the Kazakhstan – UAE Income Tax Treaty, highlighting the modifications made to the treaty by the Multilateral Convention.

Oman

Oman Tax Authority (OTA) publishes VAT registration procedures for non-residents

The OTA has recently published a guideline outlining the procedures for VAT registration of non-resident persons making taxable supplies in Oman.

Click [here](#) to access the procedures

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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