Bahrain & GCC Tax News

18 May 2022

Bahrain

Temporary suspension of VAT and increase in anti-inflation allowance for Bahrainis proposed

As per local news reports, a proposal has been submitted by a number of MPs to temporarily suspend the 10% VAT and doubling of the monthly anti-inflation allowance for Bahrainis due to overall increase in global prices and salary stagnation.

National Bureau for Revenue (NBR) announces revised timelines for excise digital stamps scheme implementation

NBR has announced the revised dates for the implementation milestones of excise digital stamps scheme on tobacco products:

- Receiving digital stamp orders: 17 July 2022
- Local markets implementation: 16 October 2022

NBR publishes Q1 2022 results

NBR has recently published the results for Q1 2022 on its website which includes statistics on the number of registered taxpayers, VAT workshops, stores registered for tourist refunds.

Click here to view Q1 2022 statistics results

Ministry of Industry, Commerce and Tourism (MoICT) extends Economic Substance (ES) return deadline for certain entities

For entities who did not have their financial statements for FY 2021 audited by 31 March 2022, the MoICT has extended the deadline for ES return submission to mid-August 2022. Further, entities who have submitted their ES returns based on unaudited financial statements may be required to resubmit their ES return based on their audited financial statements.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) releases updated VAT Implementing Regulations in English

ZATCA has recently released the Implementing Regulations of VAT Law in English containing amendments made till date.

Click here to access the VAT Implementing Regulations in English

ZATCA publishes Circular on the application of withholding tax under the double tax treaties

ZATCA has recently published a Circular on the application of withholding tax under the double tax treaties.

Click here to access the Circular

Pakistan publishes synthesized text of KSA - Pakistan income tax treaty

The Pakistani government has recently published the English synthesized text of KSA - Pakistan income tax treaty (2006), displaying the modifications made to the treaty by the Multilateral Instrument (MLI).

United Arab Emirates (UAE)

Federal Supreme Council elects HH Sheikh Mohamed bin Zayed Al Nahyan as President of UAE

As per news reports, HH Sheikh Mohamed bin Zayed has been elected as the new President of the UAE during a meeting held on 14 May 2022 at Mushrif palace in Abu Dhabi.

HH Sheikh Mohammed bin Rashid Al Maktoum announces establishment of Higher Committee for Development and Citizens Affairs

HH Mohammed bin Rashid Al Maktoum chaired the meeting of Dubai Council and announced the establishment of Higher Committee for Development and Citizens Affairs.

Federal Tax Authority (FTA) shares various infographics

The FTA has recently shared several infographics on its social media platforms including the following:

- Concept of large multinational groups under corporate tax
- Information about the new corporate tax rate
- VAT amendment service terms and conditions

UAE announces 90% reduction in tariffs for Indian goods

Under the Comprehensive Economy Partnership (CEPA) signed between the UAE and India earlier this year, UAE has announced reduction in custom tariffs by 90% with the objective of increasing the non-oil trade between the 2 nations from $45 billion to $100 billion annually in the next 5 years.

Pakistan publishes synthesized text of UAE - Pakistan income tax treaty

The Pakistani government has recently published the English synthesized text of the UAE - Pakistan income tax treaty (1993), displaying the modifications made to the treaty by the MLI.

Tax treaty between Antigua, Barbuda and UAE made available

Details of the Antigua, Barbuda and UAE income and capital tax treaty (2017), signed on 15 January 2017, have recently been made available. The treaty was concluded in the English and Arabic languages and generally follows the OECD Model Tax Convention (2017).

Qatar

Pakistan publishes synthesized text of Qatar - Pakistan income tax treaty

The Pakistani government has recently published the English synthesized text of the Qatar - Pakistan income tax treaty (1999), displaying the modifications made to the treaty by the Multilateral Convention (MLI).

Oman

Oman Tax Authority (OTA) releases Capital Assets VAT Guidelines

OTA has recently released the VAT Guidelines for Capital Assets in Arabic.

Click here to access the guidelines in Arabic

OTA issues notice on the expiry of VAT registration dates

OTA has recently issued a notice on the expiry of VAT registration dates.

Pakistan publishes synthesized text of Oman - Pakistan income tax treaty

The Pakistani government has recently published the English synthesized text of the Oman - Pakistan income tax treaty (1999), displaying the modifications made to the treaty by the MLI.

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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