

08 June 2022

Bahrain

Bahrain exports not complying with GCC origin rules held up at King Fahd Causeway

The Customs Authority in the Kingdom of Saudi Arabia (KSA) has stopped clearing shipments from Bahrain that do not meet the GCC country of origin rules from entering KSA through the King Fahd Causeway, unless import duties are paid before clearance.

Click [here](#) to read our Tax Alert

Multilateral Instrument (MLI) enters into force

On 1 June 2022, the MLI signed on 27 November 2020 entered into force for Bahrain.

Bahrain's economic growth expected to rise to 3.2% in 2022

As per reports published by S&P Global Ratings, Bahrain's economic growth is expected to increase to 3.2% this year as a result of favorable oil prices and regional economic activity. This expected growth will be partially driven by the government's introduction of an economic recovery plan in October 2021.

Bahrain and Oman discuss ways of strengthening cooperation

HM King Hamad bin Isa Al Khalifa recently received Oman's Shura Council Chairman where he stressed on steadily growing bilateral relations while noting mutual keenness on further bolstering joint ties.

Bahrain to 'step up' co-operation with the European Union (EU)

HRH Prince Salman Bin Hamad Al Khalifa, Crown Prince and Prime Minister, stressed the importance of strengthening relations between Bahrain and the EU member states as he met the EU Ambassador Patrick Simonnet.

Bahrain and Czech Republic's relations reviewed

Bahrain's Ambassador to the Czech Republic, HE Abdullah Abdullatif Abdullah, met with the Deputy Minister of Foreign Affairs of the Czech Republic, Martin Tlapa, on the sidelines of the Gulf-Czech Investment Forum to review ways to enhance cooperation between the two countries in the political, economic, investment and cultural fields.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) launches amnesty scheme for tax penalties

ZATCA has recently announced the re-launch of the amnesty scheme for tax penalties imposed under KSA tax laws administrated by ZATCA from 1 June until 30 November 2022.

Click [here](#) to read ZATCA's announcement in Arabic

Click [here](#) to access the simplified guidelines

ZATCA to subsidize the purchase of e-invoicing software solutions for taxpayers

ZATCA has introduced a new electronic service (ERAD) where businesses may request a subsidy to cover all or part of the cost for procuring an e-invoicing solution for their business.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) shares various infographics

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

- Validity of the Commercial Activities Certificate
- VAT refunds to qualifying foreign businesses via the Business Visitor Refund Scheme
- Renewal of the designated zone registration
- Applicability of Corporate Income Tax on income earned by a freelance professional

Oman

The Oman Tax Authority (OTA) publishes import and export VAT guidelines

The OTA has recently published import and export activities VAT guidelines.

Click [here](#) to read the guide in Arabic

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.



Evolving tax landscape in the GCC



We are delighted to invite you to our in-person Tax Seminar to be held on Tuesday 21 June 2022 at the Downtown Rotana Hotel in Manama.

The regional tax landscape is undergoing a seismic shift. Four GCC countries have implemented VAT and 2 GCC countries have already increased the VAT rate. The OECD countries have agreed on a global minimum rate of tax, the UAE will be the fifth GCC country to implement corporate tax and the KSA is the first country in the region to implement e-invoicing.

With many more tax reforms and **a potential corporate tax in Bahrain** in the pipeline it's essential for tax and finance leaders to keep up to date and take preemptive measures to ensure that tax does not become a cost to the business.

This may involve revisiting existing business models, adoption of tax technology and restructuring of businesses to make best use of tax policies and incentives available.

In this session, our expert speakers will cover:

- A practical perspective on VAT disputes in Bahrain
- Corporate tax implementation in the UAE
- Potential introduction of corporate tax in Bahrain
- Practical steps businesses can take to ensure readiness

[Register now](#)

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

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