

Bahrain & GCC Tax News



11 January 2023

General

Foreign Account Tax Compliance Act (FATCA) relief for foreign financial institutions (FFIs)

US Internal Revenue Service has issued Notice 2023-11 setting out interim measures intended to address compliance concerns of FFIs on reporting US taxpayer identification numbers (TINs) of US citizens holding certain pre-existing accounts with such FFIs.

Click [here](#) to view the KPMG Flash Alert.

Proposed amendments to IAS 12 published

To address concerns about uneven profit distribution and tax challenges of the digitalization of the economy, in October 2021, more than 135 jurisdictions agreed to ensure that large multinational groups pay at least a minimum tax rate of 15% on income arising in each jurisdiction in which they operate. Various agreements have been reached globally and many countries are in the process of amending their local laws to introduce a global minimum top-up tax.

In response, the International Accounting Standards Board (IASB) has published proposed amendments to IAS 12 on Income Taxes.

Click [here](#) to view KPMG's publication regarding accounting implications of the minimum top-up tax.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) launches public consultation on amendments to Excise Tax Executive Regulations

ZATCA has recently launched a public consultation regarding the proposed amendments to the Executive Regulations on Excise Tax. The public consultation will be open for comments until 18 January 2023.

Click [here](#) to view the public survey document. (In Arabic)

ZATCA introduces rules for regulating Duty-Free outlets

ZATCA has announced a decision to adopt rules and conditions governing duty-free outlets in KSA. The detailed rules specifying the requirements for operating a duty-free outlet and related controls were published in the Official Gazette on 6 January 2023. The decision enters into force 30 days after the date of its publication.

Click [here](#) to view the guide of rules and conditions on duty-free outlets. (In Arabic)

Click [here](#) to view the rules of duty-free outlets. (In Arabic)

ZATCA's issues decision on profit margin scheme

ZATCA's has recently issued a decision in relation to the goods eligible to apply the profit margin scheme. The goods in question will have to meet four main conditions in order to be classified as used goods eligible to apply the profit margin scheme.

Click [here](#) to view ZATCA's decision. (In Arabic)

United Arab Emirates (UAE)

Dubai Customs (DC) releases decision regarding consignments cleared through courier companies

DC has recently released Customs Declaration No. 05/2022 regarding clearance of consignments through courier companies by facilitating and simplifying the procedures applicable to such consignments.

Click [here](#) to view the Customs Declaration.

Democratic Republic of Congo (Congo) ratifies Investment Protection Agreement (IPA) with UAE

On 1 November 2022, Congo ratified the IPA with the UAE, initially signed on 12 October 2021, by way of Law No. 22/048.

Oman

Impact of the 2023 Oman State budget on businesses in the country

The 2023 Oman State budget reflects government measures aimed at increasing non-oil and gas revenues and reducing public spending on government units, and thereby achieving financial efficiency and foster economic growth.

Click [here](#) to read KPMG Lower Gulf's Analysis.

Qatar

Congo ratifies IPA with Qatar

On 1 November 2022, Congo ratified the IPA with Qatar, signed on 29 March 2021, by way of Law No. 22/047.

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

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