

Bahrain & GCC Tax News



20 July 2023

Bahrain

Bahrain Corporate Income Tax (CIT) – How to calculate ‘taxable income’?

On 23 May 2023, the Bahrain Minister of Finance and National Economy confirmed the introduction of CIT in Bahrain during the weekly parliamentary session. Bahrain is expected to implement a standard CIT regime similar to other jurisdictions. With the UAE implementing CIT from 1 June 2023, we have entered a new era for tax in the region with Bahrain currently being the only GCC country without a broad-based CIT. Given the Bahrain CIT is likely to apply to all commercial activities with limited exclusions, this will be a paradigm shift for Bahrain businesses.

In our latest publication, we have discussed what CIT is, what Bahrain CIT regime may look like and how ‘taxable income’ is calculated based on general principles and CIT laws of some of the other GCC countries.

Click [here](#) to read our latest Tax Insights on Bahrain CIT and calculation of ‘taxable income’.

Kingdom Saudi Arabia (KSA)

Zakat Tax & Customs Authority (ZATCA) releases VAT guideline on nominal supplies

ZATCA has recently issued a guideline on the VAT treatment of nominal supplies under the KSA VAT Law.

Click [here](#) to view the guideline. (In Arabic)

ZATCA releases guideline on proposed amendments to digital tax stamps rules

ZATCA has recently issued a guideline on the proposed amendments related to digital tax stamps.

Click [here](#) to view the guideline. (In Arabic)

United Arab Emirates (UAE)

Ministry of Finance (MoF) unveils plans to implement E-Invoicing in the UAE by 2025

The UAE MoF has recently announced a series of strategic projects aimed at enhancing government procedures, including plans for implementing E-Invoicing in the UAE by July 2025.

MoF launches public consultation for CIT on free zones

The UAE MoF has recently announced the launch of a public consultation for seeking inputs on certain elements of the proposed free zone framework under CIT for classification of qualifying and excluded activities.

Click [here](#) to view the press release.

Federal Tax Authority (FTA) conducts webinar for CIT registration

The FTA has recently conducted webinars in both Arabic and English for providing guidance to businesses on how to register for UAE CIT through the EmaraTax portal.

Click [here](#) to view the press release.

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

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