

Bahrain & GCC Tax News



3 August 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) announces seventh wave of e-invoicing integration

ZATCA has recently announced the criteria for selecting taxpayers for the seventh wave for implementing the integration phase of e-invoicing in KSA. The seventh wave would include taxpayers with taxable revenues exceeding SAR 50 million during 2021 or 2022. Taxpayers covered under the seventh wave will be required to integrate their e-invoicing solutions with ZATCA's FATOORA platform from 1 February 2024.

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

United Arab Emirates (UAE)

Ministry of Finance (MoF) issues updated executive regulation on tax procedures

The UAE MoF has announced the issuance of [Cabinet Decision No. 74 for the year 2023](#) on the Executive Regulation of Federal Decree-Law No. 28 of 2022 on tax procedures. The updated executive regulation will come into effect on 1 August 2023.

Click [here](#) to view Public Clarification TAXP006 regarding the updated executive regulation on tax procedures.

MoF extends reporting deadline for CRS/FATCA

The MoF has recently announced that the reporting deadline for Reporting Financial Institutions (RFIs) in the UAE to file their CRS and FATCA reports has been extended until 15 August 2023.

MoF issues decisions on UAE CIT

The MoF has recently published the following decisions:

- [Cabinet Decision No. 75](#) on the administrative penalties for violations related to the application of Federal Decree Law No. 47 of 2022
- [Cabinet Decision No. 81](#) on conditions for qualifying investment funds for the purposes of Federal Decree-Law No. 47 of 2022

FTA conducts Maskani workshop

The FTA has recently conducted a Maskani virtual workshop on 31 July 2023, for UAE nationals to learn more about VAT refund on newly built residences.

Oman

Oman approves tax agreement draft with Kazakhstan

The Shura Council of Oman has recently announced that the draft tax agreement between Oman and Kazakhstan on a double tax treaty and income tax treaty has been approved.

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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