

Bahrain & GCC Tax News



09 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’.

National Bureau for Revenue (NBR) conducts VAT implementation workshop

On 8 August 2023, the NBR conducted a virtual VAT workshop in Arabic to discuss effective VAT implementation for the benefit of taxpayers.

NBR releases Q2 2023 statistics

The NBR recently released statistics as of the end of Q2 2023 on their website.

Click [here](#) to view the statistics.

Investment Protection Agreement (IPA) between Bahrain and Japan to enter into force

On 6 September 2023, the IPA between Bahrain and Japan, signed on 23 June 2022, will enter into force. The IPA will be valid for 10 years.

Gulf Cooperation Council (GCC) and United Kingdom (UK) hold fourth round of Free Trade Agreement (FTA) negotiations

According to a recent press release issued by the UK Department for Business and Trade, a fourth round of negotiations for an FTA between the GCC and the UK was held from 17 July to 28 July.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) hosts tax support initiative

The FTA recently hosted a two-day tax support initiative in Umm Al Quwain for FTA’s representatives to answer any tax related inquiries and questions raised by taxpayers.

General Tax Authority (GTA) releases tax return statistics for 2022

The GTA recently released Qatar's tax return statistics for the year 2022, which saw a 13.66% increase in the tax return filing rate compared to 2021.

GTA makes modifications to contract reporting on Dhareeba portal

The GTA has recently announced that they have made certain modifications to the Dhareeba portal to improve efficiency of contract reporting. Taxpayers will now be able to upload information of multiple contracts in excel format.

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

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