Bahrain & GCC Tax News

16 November 2023

Bahrain

KPMG Tax Seminar on the changing tax landscape in Bahrain and the region

On 23 October, KPMG Bahrain's tax team hosted a seminar focusing on the changing tax landscape in Bahrain and the region. Our expert speakers led engaging discussions covering BEPS Pillar 2, e-invoicing, Corporate Income Tax ('CIT'), and transfer pricing. With more than 200 business leaders and finance professionals attending the session, the seminar provided an in-depth discussion on key aspects of the upcoming developments in tax in Bahrain and the region.

Click here to access the materials presented at the seminar.

Whilst the date of implementation of CIT or e-invoicing in Bahrain has not yet been announced, our seminars are intended to provide Bahrain businesses with insights on leading practice. Businesses that act proactively will be better prepared to deal with the challenges of the rapidly evolving tax landscape.

Introduction of Carbon Border Adjustment Mechanism (CBAM) regulation for specified goods

The European Union (EU) has introduced the CBAM regulation which applies to specified imports of goods (identified by their CN code) into the EU within the following 6 emissions-intensive sectors: electricity, iron and steel, cement, aluminum, fertilizers, and hydrogen. The CBAM comes into effect on 1 October 2023 with a transitional period that runs until 31 December 2025, during which the obligations of the EU importer shall be limited to reporting obligations. The first quarterly report is due by 31 January 2024.

Bahrain businesses that are exporting CBAM covered goods to the EU should assess the impact that the CBAM regulations will have on their operations.

For a discussion about how CBAM impacts your business, please contact us.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) updates taxpayers not yet selected for E-invoicing Phase 2 integration

ZATCA has recently announced that taxpayers who have not yet been selected in the targeted taxpayer groups for the E-invoicing integration phase will be notified at least six months in advance to allow time for preparation and integration of their solutions with the FATOORA platform.

ZATCA conducts workshop with the League of Arab States

On 13 November 2023, ZATCA conducted a workshop with the General Secretariat of the League of Arab States with participation of international experts to exchange experiences and best practices in automating customs systems.

KSA signs tax treaty with the Republic of Gambia

ZATCA announced through a press release dated 9 November 2023 that HE the Governor Suhail Abanmi and HE the Minister of Finance and Economic Affairs of Gambia, Seedy Keita, signed a tax treaty, during the Saudi-Arab-African Economic Conference held in Riyadh on the same day.

Click here to view the press release (currently available in Arabic only).

United Arab Emirates (UAE)

Federal Tax Authority (FTA) launches Tax Residency Certificates (TRC) service on EmaraTax

TRC service is now accessible to UAE taxpayers through EmaraTax platform. Through this service, the FTA issues TRCs to enable applicants to benefit from Double Tax Avoidance Agreements (DTAA).

FTA hosts CIT registration webinar

On 14 November 2023, the FTA held a CIT registration webinar in Arabic for taxpayers.

Qatar

Protocol to tax treaty between Qatar and Ukraine enters into force

On 11 June 2023, the amending protocol, signed on 2 September 2021, to the Qatar – Ukraine Income Tax Treaty (2018) entered into force. The protocol applies from 1 January 2024 for withholding taxes and other taxes.

Kuwait

Kuwait signs Inclusive Framework on BEPS

Kuwait has become the most recent signatory to the Inclusive Framework on BEPS for addressing the tax challenges arising from the digitalization of the economy by participating in the Two-Pillar Solution to reform the international taxation rules.

Click here to read more.

Kuwait confirms plans to introduce excise tax by December 2023

As per local news reports, the Kuwaiti government is reported to have confirmed that it will introduce excise taxes by the end of 2023.

Oman

Oman publishes Royal Decree on tax exemptions

On 9 November 2023, HM Sultan Haitham bin Tarik issued Royal Decree 80/2023 on tax exemptions.

Click here to view Royal Decree No. 80/2023.

Oman Tax Authority (OTA) release Decision on amendments of VAT Executive Regulations (ER)

The OTA recently released Decision No. 521/2023, amending provisions of their VAT ER, including VAT paid by charitable organizations, VAT paid on imports of goods by non-taxable persons and VAT for imports to be re-exported.

Click here to view Decision No. 251/2023 (in Arabic).

For a detailed discussion on how the above updates may impact your business, contact us.

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