

Bahrain & GCC Tax News



26 May 2024

Bahrain

National Bureau for Revenue (NBR) conducts 343 inspection visits during Q1 2024

The NBR has announced that they have carried out 343 inspection visits in local markets of Bahrain during the first quarter of 2024. These visits have led to detection of several violations and imposition of administrative fines under the VAT and Excise Tax legislations.

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

NBR to conduct webinar on VAT in the construction sector

The NBR has announced that they will be conducting a virtual workshop titled “VAT Implementation for the Construction Sector” (in Arabic) on 27 May 2024, to raise awareness about the applicability of VAT rules in the construction sector.

Click [here](#) to register for the webinar.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax, and Customs Authority (ZATCA) determines criteria for selecting taxpayers for wave 12 of e-invoicing integration phase

On 24 May 2024, ZATCA issued a circular outlining the criteria for selecting taxpayers in the 12th wave for implementing e-invoicing integration phase. The 12th wave will cover taxpayers with taxable revenues exceeding SAR 10 million during 2022 or 2023. Such taxpayers will be required to integrate their e-invoicing solutions with the FATOORA platform from 1 December 2024.

Click [here](#) to view the circular (in English).

ZATCA now accepting Advance Pricing Agreements (APA) applications

Starting from 20 May 2024, ZATCA is accepting applications under the APA program. The APA program allows tax certainty for KSA taxpayers in relation to their related party transactions valued above SAR 100 million.

For more information on APA program, taxpayers can contact their account manager at APA-gma@ZATCA.gov.sa.

ZATCA issues new excise tax circular

ZATCA has recently issued an excise tax circular regarding licensing of designated destruction sites and the refund process for excise tax paid on non-consumable goods.

Click [here](#) to access the circular (in Arabic).

ZATCA issues guide on Internal Settlement Committee's (ISC) policies and procedures

On 24 May 2024, ZATCA issued a guide on the policies and procedures applicable to disputes relating to income tax, withholding tax, VAT, and excise tax.

Click [here](#) to view the guide (in Arabic).

KSA concludes tax treaty negotiations with Croatia

KSA and Croatia have recently concluded negotiations for an income and capital tax treaty between the 2 nations. Both countries will now initiate their own internal procedures for enabling the signing of the treaty.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) publishes Corporate Tax (CT) guide on free zone regime

The FTA has recently published a new CT guide on the free zone regime, under which qualifying free zone persons are subject to 0% CT rate on qualifying income.

Click [here](#) to view the FTA's Free Zone Persons Guide (CTGFZP1).

FTA releases CT return form for deregistering entities

On 25 May 2024, the FTA released the UAE CT return form applicable for deregistering entities. The full UAE CT return form is yet to be published.

FTA reminds juridical persons to submit their CT registration application

The FTA has reminded juridical resident persons with trade licenses issued in January and February (regardless of the year of issuance), and juridical persons that did not have a license on 1 March 2024, to submit their CT registration application to the FTA by 31 May 2024. Failure to submit the application by the deadline specified may result in administrative penalties.

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

Tax treaty between the UAE and Czech Republic enters into force

On 13 May 2024, the Czech Republic – UAE Income Tax Treaty (2023) entered into force. The treaty will apply from 1 January 2025 for withholding and other taxes, replacing the earlier treaty signed in 1996.

FTA conducts several workshops

The FTA conducted several tax/VAT workshops throughout the UAE over the last week:

- On 22 May 2024, the FTA hosted a Maskani Workshop at the Ministry of Energy & Infrastructure regarding VAT refunds on newly built residences for UAE nationals.
- On 22 and 23 May 2024, the FTA conducted virtual workshops to discuss CT registration & related deadlines.
- On 23 May 2024, the FTA conducted a virtual awareness session regarding tax violations and crimes.

Click [here](#) for more information and to register for upcoming virtual workshops.

FTA signs a Memorandum of Understanding (MoU) with the Department of Finance in Ajman

The FTA recently signed an MoU with the Department of Finance in Ajman, which focuses on establishing rules and standards for disclosing information.

HE Khalifa bin Jassim Al Kuwari appointed as President of the General Tax Authority (GTA)

On 20 May 2024, the Amir of the State of Qatar issued Amiri Decision No. 26 of 2024 appointing HE Khalifa bin Jassim Al Kuwari as the President of the GTA.

The official publication can be accessed [here](#).

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

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