

Bahrain & GCC Tax News



28 July 2024

Bahrain

National Bureau for Revenue (NBR) to conduct webinar on VAT registration rules

The NBR has announced that they will be conducting a virtual workshop in English on 30 July 2024 to discuss VAT registration rules under the Bahrain VAT legislation.

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

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

NBR conducts over 800 inspection visits during the first half of 2024

The NBR has announced that as part of its ongoing campaign to enhance the level of tax compliance in Bahrain, 814 inspection visits were conducted during the first half of 2024. As a result, 116 violations have been reported where administrative fines have been imposed under the Bahrain VAT and Excise Tax Laws. Certain cases being considered as cases of VAT or Excise Tax evasion and will be subject to legal proceedings.

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

Introduction of Corporate Income Tax (CIT) in Bahrain

As highlighted in our previous publications, we expect a broad-based CIT to be implemented soon in Bahrain, similar to other jurisdictions, which applies to most businesses. You may access our publications on this subject by following the links below.

- [Introduction of Corporate Income Tax in Bahrain](#)
- [How to calculate taxable income?](#)
- [What is transfer pricing?](#)

We recommend that Bahrain businesses conduct a preliminary CIT impact analysis. Businesses that act proactively will be more capable of dealing with the challenges that implementation of CIT is likely to bring.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax, and Customs Authority (ZATCA) determines criteria for selecting taxpayers for wave 14 of e-invoicing integration phase

ZATCA has recently issued a circular outlining the criteria for selection of taxpayers for the 14th wave for implementing e-invoicing integration phase. The 14th wave will cover taxpayers with taxable revenues exceeding SAR 5 million during 2022 or 2023. Such taxpayers will be required to integrate their e-invoicing solutions with the FATOORA platform from 1 February 2025.

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

Tax treaty updates

- On 23 July 2024, the KSA Council of Ministers authorized the signing of an income tax treaty with Kuwait.
- On 23 July 2024, the KSA Council of Ministers approved the income tax treaty with Gambia, initially signed on 9 November 2023.
- KSA and Iran have recently reached an agreement on the draft text of an income and capital tax treaty between them.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) issues Corporate Tax (CT) Public Clarification on the definition of 'related parties'

On 22 July 2024, the FTA released a CT Public Clarification on the definition of 'related parties' where there is a common ownership and/or control through a government entity.

Click [here](#) to view the FTA's Public Clarification 'CTP002'.

FTA issues decision on fee refund for private clarification requests

On 19 July 2024, the FTA issued a decision on the conditions under which fees for private clarification requests may be refunded. The decision will come into effect on 1 August 2024.

Click [here](#) to view FTA's Decision No. 5 of 2024.

FTA publishes Basic Tax Information Bulletins on Natural Persons and Free Zone Persons

The FTA has recently released informative Basic Tax Information Bulletins focusing on the provisions related to Natural Persons and Free Zone Persons under the UAE CT Law.

Click [here](#) to view the Basic Tax Information Bulletin on Free Zone Persons.

Click [here](#) to view the Basic Tax Information Bulletin on Natural Persons.

FTA conducts several workshops

- On 23 July 2024, a virtual workshop was conducted on CT registration and related deadlines.
- On 23 July 2024, a workshop was conducted on the refund of input VAT incurred for the construction and operation of mosques at the General Authority of Islamic Affairs & Endowments in Ajman.
- On 23 and 24 July 2024, tax support initiative workshops were held in Dubai, providing taxpayers the opportunity to meet with FTA representatives and seek clarity and guidance on various tax matters.

Oman

Oman Tax Authority (OTA) further extends the 'Tax Culture' initiative

The OTA has recently announced the extension of its 'Tax Culture' initiative in Dhofar Governorate till 8 August 2024. The initiative has been implemented at various locations throughout the month, with the aim of spreading tax awareness among the public.

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

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