

Bahrain & GCC Tax News



13 October 2024

Bahrain

FAQs on the Domestic Minimum Top-Up Tax (DMTT)

On 1 September 2024, Decree-Law No. (11) of 2024 (DMTT Law) regarding the implementation of tax on Multinational Enterprises (MNEs) located in Bahrain was released. Bahrain is the first GCC country to implement a DMTT (effective 1 January 2025) aligned with the Organization for Economic Cooperation and Development (OECD) Base Erosion Profit Shifting (BEPS) Pillar Two Inclusive Framework.

The rules prescribed under the Bahrain DMTT Law are complex and will have a direct impact on MNE Groups operating in Bahrain. With less than 3 months to implement, it is advisable for MNE Groups to assess the impact on their Bahrain operations for a smooth transition.

Following our previous [Tax Alert](#) on the introduction of the Bahrain DMTT Law, the KPMG Bahrain tax team has prepared Frequently Asked Questions (FAQs) in relation to the Bahrain DMTT Law.

Click [here](#) to read our latest Tax Alert on FAQs on Bahrain DMTT.

KPMG webinar on Bahrain DMTT

On 2 October, KPMG Bahrain's tax team hosted a webinar to discuss the regional tax landscape with a focus on Bahrain's DMTT. Our expert speakers led engaging discussions covering an update on taxes in the GCC; scope, applicability, key exclusions, and calculation methodology of the Bahrain DMTT; potential introduction of a broad-based Corporate Income Tax (CIT) in Bahrain and recommended next steps for Bahrain businesses.

With more than 180 business leaders and finance professionals in attendance, the webinar provided an in-depth insight on key aspects of the Bahrain DMTT and expected tax developments in Bahrain and the region.

Click [here](#) to access the recording of the webinar.

Click [here](#) to access the materials presented during the webinar.

Gulf Cooperation Council (GCC) and the United Kingdom (UK) initiate negotiations for a free trade agreement

The GCC and the UK recently initiated negotiations for a free trade agreement between them.

GCC and Malaysia's negotiations for a free trade agreement reaches final stage

According to a recent press release, the GCC and Malaysia are in the final stages of negotiations for a free trade agreement between them.

Kingdom of Saudi Arabia (KSA)

KSA publishes Real Estate Transaction Tax (RETT) Law

On 11 October 2024, KSA's Official Gazette published in its latest issue the decision of the Cabinet approving the RETT Law and the detailed provisions, which will come into effect on 9 April 2025.

ZATCA's upcoming tax and zakat workshops

- On 15 October 2024, ZATCA will conduct a virtual workshop on the e-invoicing integration phase (in Arabic).
- On 16 October 2024, ZATCA will conduct virtual workshops on the customs clearance procedures (in Arabic) and on the e-invoicing integration phase (in English).

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

United Arab Emirates (UAE)

Federal Tax Authority (FTA) issues Corporate Tax (CT) Public Clarification on the postponement of filing and payment deadline for certain periods

The FTA has recently released a CT Public Clarification on the postponement of the deadline to file a tax return and settle the tax payable for certain tax periods.

Click [here](#) to view the FTA's Public Clarification 'CTP004'.

UAE's Ministry of Justice issues amendments to Economic Substance Regulations (ESR)

On 9 October 2024, UAE's Ministry of Justice issued amendments to the ESR, limiting its scope to accounting periods falling between 1 January 2019 and 31 December 2022.

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

FTA conducts CT registration webinar

On 8 October 2024, the FTA conducted a virtual workshop on CT registration, related deadlines, and forming CT groups.

Dubai Customs announces the go-live of the "Unified Customs Declaration Form – GCC Print"

Dubai Customs recently announced that a new template called "Unified Customs Declaration Form – GCC Print" has been implemented in the Customs System (Mirsal).

Click [here](#) to view Customs Notice No. (05/2024) on the matter.

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

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