

Bahrain & GCC Tax News



20 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.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) continues to conduct tax and zakat workshops

- On 21 October 2024, ZATCA will conduct a virtual workshop on the Fasah platform.
- On 22 October 2024, ZATCA will conduct a virtual workshop on transfer pricing.
- On 23 October 2024, ZATCA will conduct virtual workshops on customs bonded zones, income tax and withholding tax for foreign companies and zakat rules for financing activities.

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

KSA and Egypt sign Investment Protection Agreement (IPA)

On 15 October 2024, KSA and Egypt signed an IPA in Cairo.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) issues Tax Resident and Tax Residency Certificate Tax Procedures Guide

The FTA has recently released a Corporate Tax (CT) Procedures Guide which provides guidance on the tax residency rules and the procedure for obtaining a tax residency certificate.

Click [here](#) to view the FTA's CT Guide 'TPGTR1'.

FTA partners with the Dubai Land Department to streamline VAT collection on property sales

The FTA and the Dubai Land Department have recently signed a memorandum of understanding to streamline the VAT compliance processes relating to real estate sales in Dubai.

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

FTA continues to conduct tax workshops

On 15 October 2024, the FTA conducted virtual workshops on CT registration, related deadlines and tax violations.

Oman

Egypt approves tax treaty with Oman

On 7 October 2024, the Egyptian House of Representatives approved the ratified text of the Oman – Egypt income tax treaty signed in 2023.

Oman and Luxembourg sign tax treaty

On 17 October 2024, Oman and Luxembourg signed an income tax treaty.

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

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