

Bahrain & GCC Tax News



27 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.

Bahrain announces amendments to foreign ownership requirements

On 17 October 2024, Decision Number 53 of 2024 (New Decision) has been issued amending certain provisions of Decision Number 40 of 2021 in relation to the commercial activities that foreign owned companies can carry out in Bahrain. The key amendments include the addition of Article 4bis and amendment of Article 5 of Decision Number 40 of 2021.

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

Click [here](#) to view our Regulatory Alert on this.

National Bureau for Revenue (NBR) reports 24 new violations from inspection visits conducted during September 2024

The NBR has announced that as part of its ongoing campaign to enhance the level of VAT compliance in Bahrain, 193 inspection visits were conducted during September 2024, which led to the detection of 24 VAT violations. The reported violations were related to the failure to comply with the conditions for issuing VAT invoices, failure to show prices inclusive of VAT, and failure to display the VAT certificate in a visible location.

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

NBR to conduct webinar relating to the construction sector

The NBR has announced that they will be conducting a virtual workshop in English on 28 October 2024 to discuss VAT matters relating to the construction sector.

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

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) issues guide on VAT refund for non-profit sector

ZATCA has recently published a guide on the VAT refund process for companies operating in the non-profit sector in KSA.

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

ZATCA issues guide on the implementation of the latest zakat regulations

ZATCA has recently published a guide on the zakat collection regulations for the Hijri year 1445.

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

ZATCA continues to conduct tax and zakat workshops

- On 28 October 2024, ZATCA will conduct a virtual workshop on the application of the profit margin scheme on eligible used cars.
- On 29 October 2024, ZATCA will conduct virtual workshops on VAT registration and on e-commerce sales in KSA.

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

United Arab Emirates (UAE)

Federal Tax Authority (FTA) issues Corporate Tax (CT) Guide on real estate investment for natural persons

On 24 October 2024, the FTA published a CT Guide on real estate investment for natural persons.

Click [here](#) to view the FTA's Guide 'CTGREI1'.

UAE's Ministry of Finance unveils overview of planned e-invoicing model

UAE's Ministry of Finance recently unveiled an overview of the country's e-invoicing model and implementation timelines, with Phase 1 planned to go-live in Q2 2026.

Click [here](#) for more information.

Qatar

Qatar approves protocol to tax treaty with Norway

On 23 October 2024, the Qatari Cabinet approved the amending protocol to the Qatar – Norway Income Tax Treaty signed earlier in the year.

Oman

Oman Tax Authority (OTA) urges all auditors to register in the tax portal

The OTA has recently announced that auditors who are legally licensed to practice the accounting and auditing profession in Oman are required to register in the tax portal by 31 December 2024.

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

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