

Bahrain & GCC Tax News



06 April 2025

Bahrain

US imposes 10% tariff on imports from Gulf Cooperation Council (GCC) countries

On 2 April 2025, the US President issued an Executive Order imposing 10% duty on goods imported into the US from GCC countries, including Bahrain, starting 5 April 2025.

Corporate tax to be introduced | 8-point action plan approved for 2025-2026 fiscal budget

Recent news reports have confirmed that the draft for Bahrain's 2025-2026 fiscal budget has been finalized, incorporating an 8-point action plan aimed at achieving a budget surplus and enhancing Bahrain's financial stability.

The 8-point action plan includes the following key tax-related provisions:

- Introduction of a Corporate Income Tax (CIT)
- No increase in the VAT rate
- Expansion of excise tax scope and/or rate
- Introduction of carbon emission fees/tax

We strongly recommend that Bahrain businesses conduct a preliminary analysis of the impact the introduction of a broad-based CIT will have. Businesses that act proactively will be better prepared to deal with the challenges of the rapidly evolving tax landscape.

Domestic Minimum Top-Up Tax (DMTT) registration update

Many in-scope MNE groups with Bahrain operations were able to submit their DMTT registration applications successfully within the deadline of 30 January 2025. Their applications are currently being reviewed by the National Bureau for Revenue (NBR), and applicants must monitor any further information or clarification requests from the NBR in relation to their applications.

MNE groups that have not been able to submit their DMTT registration application within the deadline should do so immediately to minimize the risk of penalties to the extent possible.

For any queries or assistance in relation to the DMTT registrations, please [contact us](#).

United Arab Emirates

Ministry of Finance (MoF) issues Corporate Tax (CT) Ministerial Decisions

On 5 April 2025, the UAE MoF issued new Ministerial Decisions for the purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (CT Law):

- [Cabinet Decision No. 34 of 2025](#) on Qualifying Investment Funds and Qualifying Limited Partnerships.
- Cabinet Decision No. 35 of 2025 on the Determination of a Non-Resident Person's Nexus in the State.

Central Bank of the UAE (CBUAE) imposes financial sanctions on banks and insurers for failing to meet compliance standards

According to recent news reports, financial sanctions totaling AED 2,621,000 were imposed by the CBUAE on several banks and insurance companies in the UAE for failing to adhere to the reporting requirements outlined in the Common Reporting Standard (CRS) and the Foreign Account Tax Compliance Act (FATCA).

Qatar

Qatar publishes Global Minimum Tax (GMT) rules

Qatar has recently enacted the GMT rules through [Law No. \(22\) of 2024](#), amending the Income Tax Law No. (24) of 2018.

Tax treaty update

On 25 March 2025, the Norwegian parliament approved the amending protocol to the 'Norway - Qatar Income Tax Treaty' (2009).

Oman

Tax treaty update

On 27 March 2025, Oman ratified the amending protocol to its income treaty with India.

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

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