

# Bahrain & GCC Tax News



20 April 2025

## Bahrain

### Corporate Income Tax (CIT) 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 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 several have already been approved. Applicants are encouraged to monitor any further information or clarification requests from the NBR in relation to their applications and address these in a timely manner.

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](#).

## Kingdom of Saudi Arabia (KSA)

### Zakat, Tax and Customs Authority (ZATCA) publishes amended VAT Implementing Regulations (IRs)

On 18 April 2025, ZATCA published the amended KSA VAT IRs along with the approved amendments.

Click [here](#) to view the amended VAT IRs.

Click [here](#) to view the approved amendments published in KSA's official gazette.

Click [here](#) to view the guideline on the amended VAT IRs.

### ZATCA launches AS'HMT initiative

ZATCA has recently launched the AS'HMT initiative to enhance the role of internal auditing across government entities by exchanging expertise and applying best practices.

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

## **ZATCA launches licensing for customs consulting profession**

ZATCA has recently announced that individuals interested in customs consulting can now apply for a license. This initiative is aimed at improving the standards of the profession and enhance the efficiency of the services provided.

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

## **ZATCA conducts tax and zakat related workshops**

- On 21 April 2025, ZATCA will conduct a virtual workshop on the VAT refund mechanism for projects of public interest.
- On 23 April 2025, ZATCA will conduct a virtual workshop on the latest zakat regulations.

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

## **United Arab Emirates (UAE)**

### **Federal Tax Authority (FTA) issues updated VAT Public Clarification on use of SWIFT messages by financial institutions**

On 14 April 2025, the FTA issued an updated Public Clarification 'VATP041' clarifying its position on the acceptability of SWIFT messages for documentation and input VAT recovery.

Click [here](#) to view FTA's updated VAT Public Clarification on the matter.

### **Ministry of Finance (MoF) issues new Ministerial Decisions**

The UAE MoF has recently issued new Ministerial Decisions:

- [Ministerial Decision No. 84](#) of 2025 on audited financial statements for the purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (CT Law); and
- [Ministerial Decision No. 88](#) of 2025 on the commentary and agreed administrative guidance for the purposes of Cabinet Decision No. 142 of 2024 on the Imposition of Top-Up Tax on Multinational Enterprises.

### **Emirati Cabinet authorizes signing of Multilateral Instrument for Crypto-Asset Reporting Framework**

On 14 April 2025, the Emirati Cabinet approved the signing of the Multilateral Competent Authority Agreement on Automatic Exchange of Information to implement the Crypto-Asset Reporting Framework (CARF) by 2028.

### **Tax treaty update**

On 14 April 2025, the Emirati Cabinet approved the income and capital tax treaty with Russia.

### **FTA conducts tax related workshops**

- On 15 April 2025, FTA conducted a virtual awareness session on the EmaraTax platform.
- On 16 April 2025, FTA conducted a virtual session on the CT registration process for natural persons.

## **Oman**

### **Oman Tax Authority (OTA) reminds taxpayers to submit VAT and Excise Tax returns for Q1 2025**

The OTA has recently issued a notice reminding taxpayers to file their VAT and Excise Tax returns for the Q1 2025 tax period by 30 April 2025.

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

## Mubeen Khadir

Partner – Head of Tax & Corporate Services

KPMG Fakhro

T: +973 3222 6811

E: [mubeenkhadir@kpmg.com](mailto:mubeenkhadir@kpmg.com)

---

[kpmg.com/bh](https://kpmg.com/bh)

© 2025 KPMG Fakhro, a Bahrain partnership registered with the Ministry of Industry and Commerce (MOIC), Kingdom of Bahrain and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Throughout this release, "we", "KPMG", "us" and "our" refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.