



Extension of Deadline for FY 2020 for Qatari and GCC owned businesses operating in Qatar



The General Tax Authority (“GTA”) has issued Circular No. (6) for the year 2021 (dated 30 August 2021), in relation to the extension of Tax filing deadline for Qatari and GCC owned businesses operating in Qatar that are exempt from Income Tax.

According to the Circular (6) of 2021, the deadline for submission of tax returns and audited Financial Statements / financial information, for the year ended 31 December 2020 for Qatari / GCC owned entities that are exempt from Income Tax **has been extended by another 4 months to 31 December 2021**. This provision is applicable for financial year 2020 only.

Please find below a summary of the Income Tax Return filing deadline for Tax exempt entities -

Classification	Year end	Original Tax filing deadline	Extended deadline	Period of extension	Type of Tax Return on Dhareeba Portal
Qatari / GCC entities whose capital is QAR 1 million or higher, or whose annual turnover is QAR 5 million or higher	31 December 2020	30 April 2021	31 December 2021	Additional 4 months	Full / Standard Return
Qatari / GCC entities whose capital is below QAR 1 million, and whose annual turnover is below QAR 5 million	31 December 2020	30 April 2021	31 December 2021	Additional 4 months	Simplified Return

Additional important information

- Qatari / GCC entities with related parties within or outside of Qatar, and whose total assets is QAR 10 million or higher, or whose annual turnover is QAR 10 million or higher, are required to submit a Transfer Pricing Declaration form alongside the 2020 Tax return.
- Taxpayers submitting the Full / standard tax return should submit signed Audited Arabic Financial Statements for the year 2020 alongside the Tax return.
- It is paramount to note that Circular (6) of 2021 does not specifically address the tax exempt Qatari / GCC owned entities whose financial year is different from 31 December 2020.
- Taxpayers submitting the Simplified tax return are not required to submit audited financial statements. However, they must provide supporting documentation corresponding with the details of revenue and expenses added to the return.
- Failure to submit the tax returns on time is liable to **QAR 500 penalty per day** capped at QAR 180,000.

We at KPMG in Qatar highly recommend to our clients to work towards having their Tax returns submitted well within the deadline, to avoid any unnecessary penalties.

If you have any questions, please do feel free to contact us.

Kind regards,



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This alert provides a brief summary of the current updates and has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out in the new law and executive regulations will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication.

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