

## In brief

The Zakat, Tax and Customs Authority (ZTCA) has reminded inbound and outbound travelers to declare purchases or gifts worth over SR3,000, currency, jewelry, or valuable items worth over SR60,000, and restricted or prohibited goods. Failure to declare these items can result in the imposition of fines or prosecution.

### In detail

The ZTCA recently reminded travelers coming to Saudi Arabia to declare purchases or gifts that exceed SR3,000 or its equivalent in foreign currency. This measure is part of the Common Customs Law for Gulf Cooperation Countries (GCC) and will be enforced strictly.

The ZTCA also called on inbound and outbound travelers to declares currency, jewelry, or other valuable items exceeding SR60,000 or its equivalent in foreign currency. In addition, travelers should declare any goods prohibited or restricted in the Kingdom, including tobacco products.

Failure to declare goods can lead to their confiscation, the imposition of fines, or referral to the competent authorities in the case of prohibited goods. The ZTCA disclosed that it will impose a fine equivalent to 25% of the value of the seized items for first time violators in case of no or, erroneous declarations. For repeat offences, the penalty will be 50% of the value of seized items. Where the seizures are suspected to be linked to criminal activity or money laundering, the violator will be referred to Public Prosecution.

The ZTCA has explained that the procedures for declarations are available online on the Saudi Customs <u>website</u> where a customs duties and taxes calculator <u>service</u> has been provided, which allows customers to determine the estimated value of customs duties and taxes on certain goods including tobacco, electronic devices, bags, clothes, watches, shoes and jewelry.

For more information on this topic or to learn more about KPMG's Trade & Customs Services in the Middle East, kindly contact our team at KPMG.

# Get in touch

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