

Bahrain & GCC Tax News

27 April 2022

Bahrain

Growth recorded in Bahrain's Foreign Direct Investments (FDI)

As per local news reports, the Information and eGovernment Authority has reported that Bahrain's FDI has grown by 5.6% in 2021 compared to the previous year. The survey was conducted in collaboration with the Central Bank of Bahrain and the Economic Development Board.

Reserve fund law amended

As per local news reports, HM the King Hamad bin Isa bin Salman Al Khalifa has ratified Law 16 of 2022 amending Article 1 of Law 28 of 2006 regarding reserve fund to significantly boost funds for future generation.

National Bureau for Revenue (NBR) updates excise tax goods list

The NBR recently updated the excise tax list on its website.

Click [here](#) to access the updated list.

Ministry of Industry, Commerce and Tourism (MoICT) extends Economic Substance (ES) return deadline for certain entities

For entities who did not have their financial statements for FY 2021 audited by 31 March 2022, the MoICT has extended the deadline for ES return submission to mid-August 2022. Further, entities who have submitted their ES returns based on unaudited financial statements may be required to resubmit their ES return based on their audited financial statements.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax and Customs Authority (ZATCA) publishes guidelines

ZATCA has recently published the following guidelines:

- Simplified guideline on the Zakat treatment of real estate activities. Click [here](#) to access the guide in Arabic
- Detailed guideline on the process of filing objections to tax decisions. Click [here](#) to access the guide in Arabic

ZATCA shares educational shorts

ZATCA has recently shared educational shorts on its social media platforms including the following:

- Payment methods on Zakaty platform
- Zakat on inheritance
- VAT registration obligation for commercial property owners

United Arab Emirates (UAE)

Federal Tax Authority (FTA)'s Board of Directors adopt FY 2021 financial statements

In their second meeting of 2022 chaired by HH Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, UAE's Minister of Finance, the Board of Directors of the FTA adopted the financial statements for FY 2021. The Board also reviewed a report on FTA's accomplishments during 2021 and Q1 2022.

Directives issued to maintain FTA's plans

UAE's Minister of Finance has issued directives to maintain FTA's plans to develop and enhance the authority's procedures for bringing them in line with global best practices.

Comprehensive Economic Partnership Agreement (CEPA) between India and UAE to take effect

The CEPA signed on 18 February 2022 between India and UAE will enter into force on 1 May 2022.

FTA publishes new user guide on whistleblower scheme (Raqeeb)

The FTA has recently published a new user guide on FTA's whistleblower scheme for tax violations and tax evasions.

Click [here](#) to access the user guide.

FTA shares various infographics

The FTA has recently shared several infographics on its social media platforms including the following:

- Conditions for availing benefit of redetermination of administrative penalties until 31 December 2022
- Objecting to a special input tax apportionment method decision by the FTA
- How to determine if the business profit/income is subject to corporate tax

Oman

Oman Tax Authority (OTA) publishes VAT guidelines for financial services

The OTA has recently published VAT guidelines for financial services sector.

Click [here](#) to access the financial services guidelines.

OTA publishes guidelines for implementing the Country by Country Reporting (CbCR)

The OTA has recently published guidelines for implementing CbCR in Oman.

Click [here](#) to access the CbCR guidelines

Oman plans to implement personal income tax on high income

As per news reports, Oman has plans to introduce a personal income tax on high incomes. The news reports suggest that the implementation is likely to happen in 2023.

The above is for general information only and is not intended to address the circumstances of any particular scenario. Please seek professional advice in relation to your particular circumstances.

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

Mubeen Khadir

Partner - Head of Tax & Corporate Services
T: +973 3222 6811
E: mubeenkhadir@kpmg.com

Omar Hisham

Senior Manager
T: +973 3840 7759
E: sosaid@kpmg.com

Hasan Khalaf

Manager
T: +973 3636 6462
E: hakhalaf@kpmg.com

Mansoor AlWadaie

Manager
T: +973 3998 8098
E: malwadaie@kpmg.com

Shashank Chandak

Manager
T: +973 3553 1905
E: shashankchandak@kpmg.com

DaoHan Hung

Manager
T: +973 3907 7964
E: hdaohan@kpmg.com

Eid Mubarak
عيدكم مبارك

We wish you a blessed Eid filled with Love, Laughter and Light



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