

Bahrain & GCC Tax News



3 March 2024

Bahrain

National Bureau for Revenue (NBR) extends record retention period

On 28 February 2024, the NBR emailed taxpayers to announce the extension of the retention period of records and accounting books relating to Value Added Tax (VAT) by five additional years. The initial 5-year record retention period for the first tax period in 2019 (Q1) was originally set to expire on 31 March 2024.

Minister of Finance & National Economy meets with the parliament's Financial and Economic Affairs Committee to discuss potential introduction of Corporate Income Tax (CIT)

As per local news reports, H.E. Sheikh Salman Bin Khalifa Al Khalifa, the Minister of Finance and National Economy met with the Financial and Economic Affairs Committee of the Council of Representatives to discuss plans of widening the scope of taxes and the potential introduction of a CIT regime in Bahrain. The draft CIT law is expected to be presented to the legislative authority in March 2024. Given the Bahrain CIT is likely to apply to all commercial activities with limited exclusions, this will be a paradigm shift for Bahrain businesses.

Click [here](#) to read our Tax Insights on introduction of CIT in Bahrain.

Click [here](#) to read our Tax Insights on Bahrain CIT and calculation of 'taxable income'.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) specifies timeline for Corporate Tax (CT) registration

On 27 February 2024, the FTA published Decision No. 3 of 2024 on the timeline(s) for taxable persons to register for CT purposes in the UAE (effective as of 1 March 2024).

Click [here](#) to view the FTA's latest tax decision.

UAE Ministry of Finance announces the approval of an administrative penalty for the delay in CT registration

The UAE Ministry of Finance has announced the approval of an administrative penalty of AED 10,000 for the delay in tax registration. This comes under Cabinet Decision No. 10 of 2024 (effective as of 1 March 2024), amending the schedule of violations and administrative penalties relating to CT.

Click [here](#) to view Cabinet Decision No. 10 of 2024 (in Arabic).

Click [here](#) to view the FTA's translated version of the decision (in English).

FTA issues decision on Tax Refunds for Tourists Scheme

On 1 March 2024, the FTA published Decision No. 2 of 2024 on Tax Refunds for Tourists Scheme with some amendments (effective from the same date of its publication).

Click [here](#) to view the decision.

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

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