



Bahrain & GCC Tax News

05 May 2024

Bahrain

Bahrain introduces new tourist levy on hotel accommodations

The Ministry of Tourism in Bahrain recently introduced a new tourist levy on hotel accommodations. While this was previously announced in late 2023, effective 1 May 2024, a levy of BHD 3 will be charged per room per day – and this will be incorporated into the room rates charged to tourists visiting Bahrain. If you are a provider of hotel accommodation services in Bahrain and are required to collect the new tourist levy, it is important to consider the following:

- If the new levy is subject to Bahrain VAT;
- Impact on advance bookings/reservations made before 1 May 2024; and
- Potential updates required to the accounting system.

National Bureau for Revenue (NBR) conducts workshop on VAT invoice compliance

The NBR recently held a workshop on VAT invoice compliance to raise awareness among VAT payers on the necessary procedures when issuing VAT invoices. The workshop was attended by more than 150 representatives from various businesses.

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

Corporate Income Tax (CIT) in Bahrain – What is Transfer Pricing?

On 23 May 2023, Bahrain's Minister of Finance and National Economy announced plans for the introduction of a CIT regime in Bahrain. With the introduction of a broad-based CIT, it is expected that specific transfer pricing rules will apply to prevent related entities from shifting profits for gaining an undue tax advantage. KPMG Bahrain tax team has recently published a Tax Insights article titled "CIT in Bahrain – What is Transfer Pricing".

Click [here](#) to view our latest Tax Insights.

Kingdom of Saudi Arabia (KSA)

Zakat, Tax, and Customs Authority (ZATCA) approves amendments to the Real Estate Transaction Tax (RETT) Implementing Regulations

On 3 May 2024, ZATCA approved the amendments to the RETT Implementing Regulations to include certain exemptions. The amended regulations aim to enhance transparency and facilitate procedures in the real estate sector.

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

Click [here](#) to view the 5th edition of the related simplified guidelines (in Arabic).

Click [here](#) to view the 5th edition of the related detailed guidelines (in Arabic).

ZATCA reminds taxpayers under the seventh wave of e-invoicing Phase 2 of their e-invoicing integration deadline

ZATCA recently reminded taxpayers in KSA falling under the seventh wave of e-invoicing Phase 2 (integration phase) to ensure their systems are integrated with ZATCA's platform latest by 31 May 2024.

Click [here](#) to view ZATCA's roll-out phases for the implementation of e-invoicing.

Governor of ZATCA meets with Estonian officials to enhance tax and customs cooperation

On 29 April 2024, his Excellency the Governor of ZATCA has met Estonia's Minister of Economic Affairs and Information Technology, to discuss opportunities for cooperation in tax and customs.

United Arab Emirates (UAE)

Federal Tax Authority (FTA) continues to conduct Corporate Tax (CT) related workshops in the UAE

On 1 May 2024, the FTA conducted a virtual workshop on CT registration and related deadlines.

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

National Assembly of Benin approves tax treaty with the UAE

On 30 April 2024, the National Assembly of Benin approved the Benin – UAE Income Tax Treaty (2013).

UAE signs joint statements on conclusion of negotiations for a Comprehensive Economic Partnership Agreement (CEPA) with both Chile and Ukraine

The UAE has recently signed two separate joint statements, with both Chile and Ukraine, confirming the successful conclusion of negotiations for a CEPA between them.

Spain authorizes signing of Investment Protection Agreement (IPA) with the UAE

On 23 April 2024, the Spanish Council of Ministers authorized the signing of an IPA with the UAE.

Oman

Financial Services Authority (FSA) announces new surcharge on health and travel insurance policies

On 28 April 2024, Oman's FSA announced a 0.5% regulatory surcharge on health and travel insurance policies. This surcharge will directly affect policyholders, who will now have to pay an additional 0.5% on top of their policy premiums.

Oman Tax Authority (OTA) resolves technical error on its portal

The OTA recently announced that a system error led to sending out several text messages to taxpayers. The OTA has confirmed that this technical issue has now been resolved.

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

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