

KSA: Printing customs bayan (statements) from Saudi Customs web portal is now available

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In brief

While the Saudi Customs Authorities (“Saudi Customs”) had announced the launch of online customs services for companies registered in KSA, most of these services were not yet fully activated. After several discussions with the IT department of Saudi Customs, we are able to confirm that online access to Customs statements is now available. This should ease the process of collating and reconciling the customs statements with the purchase value of imports reported in Zakat/ tax returns.

In detail

Online service for printing customs *bayan*/ statements is now activated through the Saudi Customs web portal. Currently, the web portal is only available in Arabic Language.

With this facility, the entities registered in KSA that import goods under its license can now print customs *bayan* based on the *bayan* number or unique product identification number.

The process for using the service is as follows:

1. Create an account on Saudi Customs web portal.
2. Assign an authorized person to manage the account.
3. Submit account activation request to any customs office along with:
 - a. company’s commercial registration (CR);
 - b. attested authorization letter executed in favour of the authorized person, and

- c. Identity Card copy of account manager/ authorized person.

It is to note that there is no need for the account manager to be an employee of the company, and thus this service can be assigned to a third party such as a consultancy firm, who will act on behalf of the company.

Based on our discussions with Saudi Customs, we understand that the information pertaining to the company is available from the date of incorporation of the company. However, we did not verify this.

Before implementation of this online service, companies were required to undergo significant efforts to determining the *bayan* dates and numbers to extract these from the competent Saudi Customs office, subject to a fee of c. SAR 100 per *bayan*. The new online process which also reflects e-governance ambition of KSA should now provide significant relief to such companies. Further, we understand that companies can print Customs *bayan* free of charge.

Saudi Zakat/ tax implications

One of the queries of Department of Zakat and Income Tax (“DZIT”) during the tax audit process has always been to request for copies of the customs clearance documents issued by Saudi Customs. The primary reason has been to verify whether the value declared to the customs authority is equal to the purchase value reported in the Zakat/ tax return, subject to freight and customs duties costs, which also need to be documented.

Since the manual process had its limitations and consumed substantial time companies were often unable to provide 100% supporting documents.

Companies faced more difficulties in cases where the

goods are shipped in the name of their local customers, and hence the customs clearance documents are not available under the company's name. In such cases DZIT usually required a confirmation from the distributor/ manufacturer that it cleared the goods from the Saudi Customs directly, along with the supporting customs clearance documents.

Failure to produce complete documentation often resulted in tax disallowance of costs.

Therefore, the online access should be very helpful to the companies especially to mitigate tax disallowances.

The takeaway

Companies which import goods/ fixed assets or raw materials in their own name should immediately seek to register with Saudi Customs for online access.

Those companies which are undergoing a tax audit should gain

immediate benefit from the online access.

We also recommend companies to gain access to the website and reconcile the value reported/to be reported in Zakat/ tax returns with the custom *bayan*. This should be useful as DZIT often request for such information after several years, which makes the process of extracting the information from the archives difficult and strenuous.

Let's talk

For a deeper discussion of how this issue might affect your business, please contact:

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