In brief

The General Authority of Zakat and Tax (‘GAZT’) has issued a new guide which sets out the circumstances and prerequisites for filing a request/application (i.e. Ruling) for seeking a written clarification from GAZT on matters where the VAT treatment is not clear.

At this time, the guide is only issued in Arabic and can be accessed through the following link:


In detail

Taxpayers may submit a written request to obtain clarification from GAZT regarding matters where there is no or minimal guidance is available, however, the guide explains that any such ruling will be issued at the discretion of GAZT. A ruling issued can be ‘public’ or ‘private’.

Who can submit the application

The application can only be submitted by a registered taxpayer, a legal representative, an agent, or an authorized signatory. However, GAZT expects the supplier of services to submit the application.

Furthermore, in some cases, the recipient of services can submit the application if the supplier is not able to do so. It is worth noting that the application for clarification is not meant for resolving disputes between the supplier and the client regarding the applicability of the tax.

Important considerations

GAZT will take the following into consideration when considering a request for clarification:

- The complexity of the issue and the extent to which information is available about the issue to the taxpayer
- The importance and relevance of the issue to the activities of the taxpayer
- The extent of the information provided with the application
- The benefit of the clarification as a general ruling available to the public, if applicable
- The extent of sources available to GAZT to reply to the request.

Cases where GAZT will not accept an application

The taxpayer cannot submit an application for clarification in the following cases:

- On hold cases such as cases under objection or appeal
- Where the application is not in respect of issues related to the business activities of the requester
- If the intention of the application is different from the goal of the requester, for example if the tax advisor submits an application to deliver the information to the taxpayer as private advice
- If the taxpayer is under audit
- If the issue is subject to a legal dispute between the taxpayer and another party and the clarification would favor one party over the other
- If the application has been rejected in the past three months
- If the requester is not registered for VAT purposes.
The application process

An application can be made either in Arabic using form (R-1001A) or in English using form (R-1001E). While it is not mandatory to submit any supporting documentation in Arabic with the preliminary application, GAZT has the right of requesting an Arabic translation of certain documents if needed. The application should be submitted electronically to Policy-Ruling@gazt.gov as mentioned on the form.

GAZT will take the following actions when the application is received:

- Accept the application
- Request further information
- Reject the application
- Accept the application but does not issue the clarification requested

Follow up with GAZT regarding the application can be done through the relationship manager or by an email sent to GAZT’s dedicated email address.

Time to respond

GAZT will respond to the clarification application based on the application date and priority will be given to the oldest applications. In general, GAZT will attempt to respond within 45 days from the date the application was received. However, GAZT will inform the taxpayer that the application may take longer because of complexity or any other matter.

The clarification issued may be affected later by:

- Any changes in the facts and assumptions
- Changes in the tax laws and regulations
- GAZT will not inform the taxpayers of any changes to the clarification already issued. Taxpayers can seek a confirmation of the clarification issued if they were not sure if the previously issued clarification remains valid.

The Ruling or clarification issued is not binding either on GAZT or the taxpayer.
The takeaway

Taxpayers who intend to obtain clarification from GAZT should read this guide to understand the process, requirements and timelines. For applications already submitted, requestors are recommended to ensure that the applications have been directed to the prescribed email address along with supporting documents.

Let’s talk

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

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