
Oman Excise Tax Law issued by Royal Decree

March 2019

In brief

The anticipated Oman Excise Tax Law has been issued by His Majesty Sultan Qaboos bin Said via Royal Decree 23/2019 on 13 March 2019. The tax will take effect from 90 days of the official publication of the Law. Publication of the Excise Tax Executive Regulations (ER's) is expected to be released within 6 months of the effective date of the Law.

In detail

The introduction of Excise Tax in Oman follows the recent implementation of the tax in neighbouring Gulf Cooperation Countries (GCC), including UAE, KSA, Bahrain and Qatar.

The Oman Excise Tax (or 'selective' tax) law will apply to products deemed harmful to health or the environment, and is expected to include the following products:

- Tobacco (100%)
- Alcohol (100%)
- Pork products (100%)
- Energy drinks (100%)
- Carbonated drinks (50%)

The tax is expected to apply to importers, 'stockpilers' and local producers of the relevant excise goods.

The takeaway

The introduction of Excise Tax brings a significant change for all businesses that import, manufacture or trade in Excise goods in Oman.

Businesses should monitor further Excise Tax developments including any additional requirements that may arise once the Excise Tax Executive Regulations and other guidelines are published. Businesses are encouraged to assess the compliance requirements of the new tax regime and assess the impact on pricing through their supply chains. Businesses will also need to ensure compliance with likely transitional rules. Further detailed analysis on the content of the Excise Tax Law will be provided as soon as it is made available.

Let's talk

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

PwC Oman contacts

Omar Al Sharif

Oman Country Senior Partner

T: +968 2455 9118

E: omar.al-sharif@pwc.com

Jeanine Daou

Middle East Indirect Tax Leader

T: +971 4 304 3744

E: jeanine.daou@pwc.com

Darcy White

Tax and Legal Services Partner

T: +968 2455 9154

E: darcy.white@pwc.com

Imran Mushtaq

Indirect Tax Director

T: +968 2455 9208

E: imran.x.mushtaq@pwc.com

Gaurav Kapoor

Tax Director

T: +968 2455 9180

E: gaurav.x.kapoor@pwc.com

Carlos Garcia Pinilla

Middle East Customs &

International Trade Director

T: +971 4 304 3936

E: c.garcia@pwc.com

Kanval Ashar

Indirect Tax Manager

T: +968 2455 9211

E: kanval.x.ashar@pwc.com