



March Edition

Insights
Tax and Legal Services
PwC Middle East



The United Arab Emirates (UAE)

Legislative updates

Customs

1. Dubai Customs releases a Notice on restriction of petroleum gas

Dubai Customs issued Customs Notice Number 03/2021 implementing the restriction of certain petroleum gas cargo from being imported into Dubai without prior approval from the Emirates Authority for Standardisation and Metrology (ESMA).

According to the Notice, petroleum gases and other gaseous hydrocarbons in liquid or gaseous states (e.g. natural gas, butane) that are classified under certain HS codes are subject to the import restriction.

The additional details on the restriction of petroleum gas products can be accessed through the link below: https://www.dubaicustoms.gov.ae/en/PoliciesAndNotices/Notices/CN3_2021.pdf

2. Dubai Customs releases a Notice on the suspension of the exportation of steel scrap and waste paper

To ensure business continuity and supply of production inputs required for manufacturing operations, on May 12, 2020 Dubai Customs issued a Customs Notice temporarily restricting the exportation of steel scrap and waste paper.

On 18 February 2021, Dubai Customs issued Customs Notice 04/2021 extending the restriction period by 3 months. In effect, the exportation of steel scrap and waste paper shall be temporarily restricted until April, 15 2021. The restriction applies to a number of goods including waste and scrap of cast iron, waste and scrap of alloy steel, waste and scrap of tinned iron or steel.

The additional details on the export restriction fo steel scrap and waste paper can be accessed through the link below: https://www.dubaicustoms.gov.ae/en/PoliciesAndNotices/Notices/CN4_2021.pdf

The Kingdom of Saudi Arabia (KSA)

Legislative updates

Value Added Tax

Guide issued on penalty waiver initiative extension

The General Authority of Zakat and Tax ('GAZT') issued a guide which illustrates the scope of taxes, types of penalties and tax periods covered under the recent resolution issued by the Minister of Finance to extend the application of the tax amnesty initiative for an additional six months (up until 30 June 2021).

In addition, this guide provides some clarification on the conditions that should be met in order to avail benefit from the extended initiative.

The guide is issued in Arabic language at the moment and can be accessed through the link below:

https://gazt.gov.sa/ar/HelpCenter/guidelines/Documents/GAZT_Initiatives2.pdf

PwC news alert issued on the matter can be accessed through the following links:

<https://www.pwc.com/m1/en/services/tax/me-tax-legal-news/2021/ksa-guide-issued-penalty-waiver-initiative-extended-recently.html>

<https://www.pwc.com/m1/en/services/tax/me-tax-legal-news/2021/ksa-the-penalty-waiver-extended-for-six-additional-months.html>

The Kingdom of Bahrain (Bahrain)

Non-legislative update

Value Added Tax

NBR releases an updated version of the Imports and Exports VAT Guide

The National Bureau for Revenue (NBR) in Bahrain released the second updated version of the Imports and Exports VAT Guide that was first issued by the NBR in February 2019 and updated in May 2019.

This updated version of the Guide provides clarification on claiming excess import VAT paid at customs for persons not registered for VAT in Bahrain.

The updated guide states that if the importer of goods notices that the import VAT amount payable is incorrect due to an error in classification or in value, he should raise this with Bahrain Customs Affairs before making the payment of this import VAT. In some cases, an amendment may need to be made to a customs declaration after clearance of the goods.

If the amendment results in an overpayment of VAT, this can be recovered from the NBR for both VAT registered and non-VAT registered persons. A VAT registered person may recover the amount of overpaid import VAT as input tax in his VAT return. The updated guide confirms that persons who are not registered for VAT may make a claim for the overpaid amount directly from the NBR.

The updated VAT Imports and Exports Guide on the NBR website can be accessed through the following link:

https://www.nbr.gov.bh/vat_guideline

The Sultanate of Oman (Oman)

Non-legislative update

Value Added Tax

On 1 February 2021, the Oman Tax Authority released the VAT Registration Manual Guide stating the information/ documents required to be provided and steps for submitting the VAT registration application.

The portal is now live for submitting the VAT registration application. Oman has introduced threshold based phased VAT registration for businesses.

The registration application is required to be filed online on the Oman Tax Portal, using the login credentials of the principal officer of the Company. The following persons can start submitting the registration application during the period - 1 Feb 2021 - 15 Mar 2021. The effective date of registration for such persons will be 16 April 2021:

1. Taxable person whose annual supplies exceed or expected to exceed OMR 1,000,000 (mandatory registration)
2. Taxable person whose annual supplies or expenses exceed or expected to exceed OMR 19,250 (voluntary registration)

Period to be considered for actual annual supplies: 1 Nov 2019 to 31 Oct 2020

Period to be considered for expected annual supplies: 1 Oct 2020 to 30 Sep 2021

Below is the link to our detailed alert on VAT registration in Oman

<https://www.pwc.com/m1/en/services/tax/me-tax-legal-news/2021/oman-vat-registration-guidance.html>

www.pwc.com/me

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