

# Saudi Arabia: Suggested amendments to the RETT Executive Regulations

December 2021



## In brief

The Zakat, Tax and Customs Authority (ZATCA) proposed amendments to certain articles of the Real Estate Transaction Tax (“RETT”) Executive Regulations.

The [draft amendments](#) (available only in Arabic) were published on the Public Consultation Platform of the the National Competitiveness Center on 15 December 2021 - for public consultation.

Interested parties, stakeholders, and taxpayers are encouraged to express their opinions - [on this platform](#) - and share feedback on the draft amendments no later than 29 December 2021.

## In detail

Suggested amendments are summarised as follows:

1. Proposed amendment / addition to Article 1 - Definitions:
  - Replace GAZT by ZATCA;
  - Addition of new definitions for “relatives up to the third degree” and for “first, second and third degree relatives”.
2. Proposed amendments / additions to Article 3 (A) - Exclusions:
  - Amendment to the provisions related to disposal of real estate with no consideration to an offspring civil endowment (waqf);
  - Amendment to the provisions related to the transfer of the property as an authenticated gift;
  - Addition of a new exclusion related to the transfer of the property under a notarized will;
  - Excluding Joint Venture from the exclusion list for in kind contributions of a real estate property.
3. Proposed amendments to Article 4 - Due date of the tax:
  - Addition to include to the date of authentication requirement of having a public notary or licensed governmental bodies;
  - Sales on map due date is on or before the date of authentication with a notary or licensed governmental bodies;
  - Paragraph 4 related to right of the Minister to exclude any other cases related to tax due date to be deleted.

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The suggested amendments to the RETT Executive Regulations are subject to public consultation. This is a unique opportunity to share your views that might be considered for improvement. So take a few minutes and make yourself heard!

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# The takeaway

The suggested amendments to the RETT Executive Regulations are subject to public consultation. This is a unique opportunity to share your views that might be considered for improvement.

It is recommended that impacted taxpayers to review the suggested changes and provide their comments to ZATCA on the draft amendments no later than 29 December 2021.

## Let's talk

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



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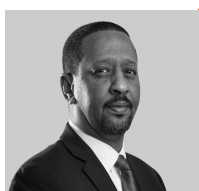


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# Thank you