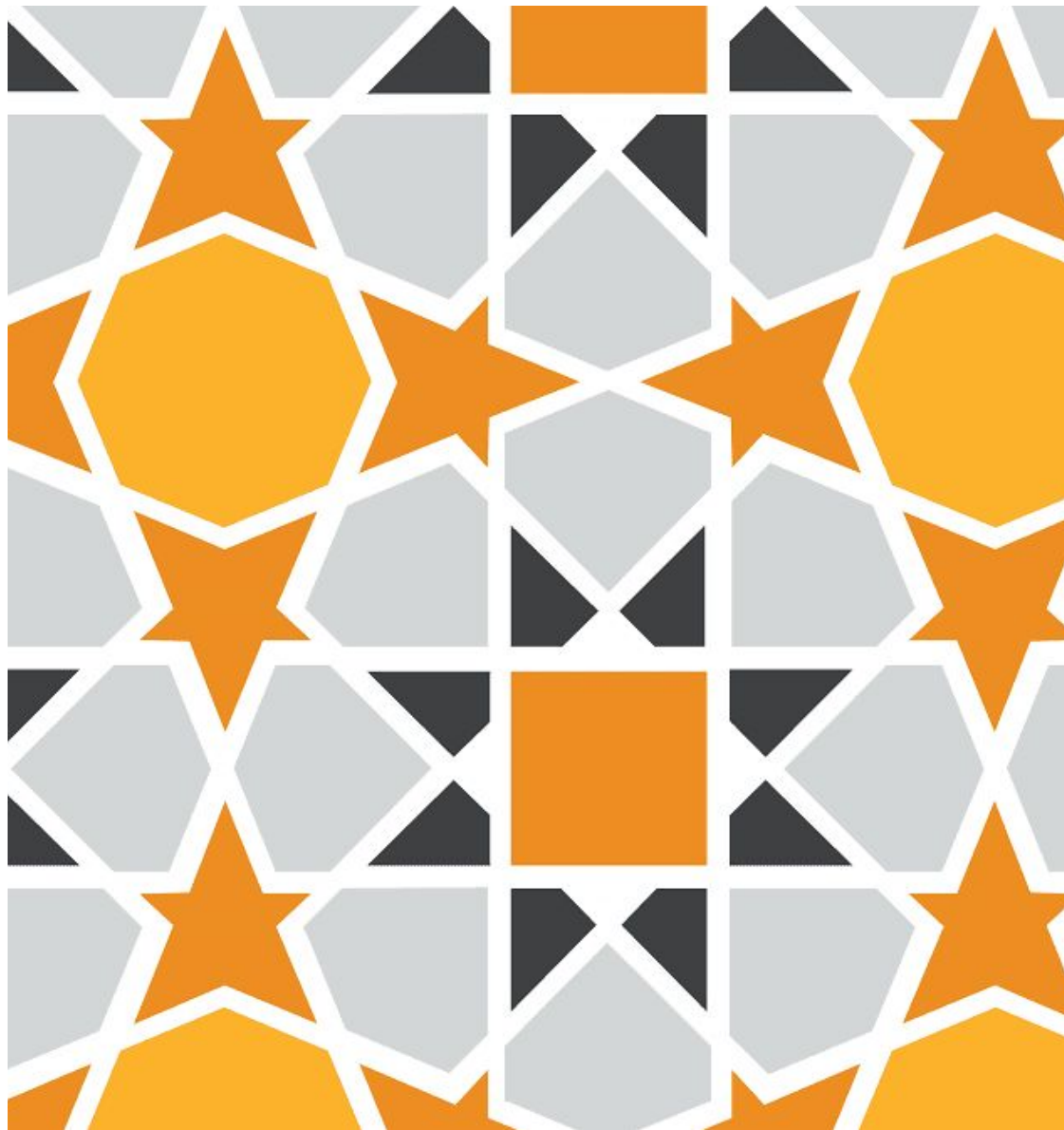


# Saudi Arabia: Extension in the timelines of tax amnesty until 31 May 2023

November 2022





## In brief

By adopting the Ministerial Resolution No. 560 dated 03/05/1444AH (corresponding to 27 November 2022), the Zakat, Tax and Customs Authority (ZATCA) extends the initiative launched earlier during June 2022 exempting or abolishing fines and financial penalties imposed on taxpayers on account of lapse in fulfilling several procedural aspects related to taxes applicable in the Kingdom of Saudi Arabia.

The extension was announced on 30 November 2022 and has been issued in Arabic language at the moment which can be accessed [here](#).

The types of taxes included in this initiative are Excise Tax, Value Added Tax (including E-Invoicing), Real Estate Transaction Tax, Withholding Tax and Corporate Income tax.

The exemption was extended for an additional period of 6 months starting 1 December 2022 until 31 May 2023.

## In detail

Through this extension, ZATCA aims to enhance awareness among the taxpayers on the significance of fulfilling compliance requirements in addition to mitigating the adverse economic impact due to corona pandemic.

ZATCA confirmed that the fines included in the initiative are the following:

- Late registration
- Late payment
- Late filing
- Amendment of tax declarations
- Other financial fines imposed under Article 45 of the VAT Law (e.g. not keeping Tax Invoices, books, records and accounting documents, field inspection fines for not complying with the e-invoicing and other violates any other provision of the Law or VAT Regulations..etc)

In order to benefit from the initiative, the taxpayer must:

- Obtain registration and discharge their prescribed obligations as per the respective tax legislation
- Pay all outstanding tax dues

A simplified guide has also been issued by ZATCA explaining the types of fines/penalties that will be covered with illustrative examples which can be accessed [here](#).



The extension in timelines for the tax amnesty initiative provides another opportunity for taxpayers to manage their tax burden, cash outflows and settle their outstanding tax dues.



# The takeaway

Taxpayers are recommended to assess their status of compliance with relevant tax legislations and avail benefits under the extended initiative in case of any non-fulfillment of prescribed tax obligations within the amnesty period.

The extension in timeline for the tax amnesty initiative provides another opportunity for taxpayers to manage their tax burden, cash outflows and settle their outstanding tax dues.

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## Let's talk

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

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