

Non-Resident Businesses KSA VAT Refund



Navigating VAT Refund: A Guide for Non-Resident Businesses in KSA

Non-resident businesses in the Kingdom of Saudi Arabia (KSA) can refund the VAT incurred on the acquisition of goods and services in KSA from KSA based vendors. To be eligible for this refund, the following steps must be fulfilled:

1

Meeting Eligibility criteria

- Be resident in a jurisdiction that has a tax system similar to KSA VAT regime.
- Be registered for VAT/similar regime in your jurisdiction.
- Be able to demonstrate that your jurisdiction applies VAT refund reciprocity for non-resident KSA businesses.

2

Submitting a Registration application

- Register as an eligible person in KSA through application to Zakat, Tax and Customs Authority (ZATCA) portal.
- Submit your application above **before 31 December 2024** to claim VAT refund for CY24.

3

Submitting a VAT refund application

- Submit, as an eligible person, a VAT refund application for calendar year 2024.
- The VAT refund application should be filed **before 30 June 2025**.
- Attach all required supporting documentations to your refund application.

What will happen when your registration application is submitted?

- ZATCA will send you a notification for acknowledgement of your eligible person registration application.
- ZATCA will thoroughly review your application to verify that you meet all the criteria for a VAT refund. This includes, but is not limited to, the fact that you are not a Saudi resident business..
- You might be asked for information or supporting documents through the registration application process necessary for ZATCA to process your application.
- If your application is approved, you will receive a letter from ZATCA confirming your registration as an Eligible Person.

What will happen when your VAT refund application is submitted?

- ZATCA will send you a notification to acknowledge the submission of your refund application..
- ZATCA will review your VAT refund application to ensure that all required conditions are met and to verify the accuracy of the submitted information. They will also assess the value of the refund claimed.
- Within 2-3 months after completing the verification process, ZATCA will issue a formal decision to either:
 - i) Approve the refund in full,
 - ii) Approve the refund partially,
 - iii) Reject the refund if conditions are not met providing you with the necessary justifications.
- You have the right to object to ZATCA's decision following the objection and appeal process applied in KSA.

Processing Timelines

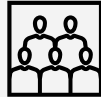
There is no specific timeline for the processing your application; however, the KSA tax Authority usually takes up to 3 months to conclude the refund application process by verifying the application filed.



Non-Resident Businesses KSA VAT Refund

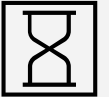


PwC has a team of dedicated specialists in KSA VAT refund who can support you throughout the VAT refund process. They will apply an efficient approach to help navigate through the complexities of the process and accelerate the collection of the VAT refund.



If you have incurred VAT in KSA during the calendar year 2024, you need to act quickly as the deadline is approaching to submit your eligible person application by December 31, 2024.

If you already registered as an eligible person, you should submit your VAT refund claim starting from January 2025 and before 30 June 2025.



Contact us now, to learn more



Chadi Abou-Chakra
TLS COO & ITX Network Leader
E: chadi.abou-chakra@pwc.com
T: +966 (0) 56 068 0291



Guido Lubbers
TLS ITX Partner
E: Guido.Lubbers@pwc.com
T: +966 54 110 0432



Mujeeb Haq
TLS ITX Partner
E: mujeeb.u.haq@pwc.com
T: +966 56 367 9953



Ishan Kathuria
Indirect Tax and UAE E-invoicing Partner
E: ishan.k.kathuria@pwc.com
T: +971 54 553 0388



Marc Collenette
TLS ITX Partner
E: marc.collenette@pwc.com
T: +971 (0) 50 407 2831



Maher ElAawar
TLS ITX Partner
E: maher.elaawar@pwc.com
T: +971 56 216 1109