

## Round-up on International Tax and Transfer Pricing Developments

### UAE

#### UAE introduces Corporate Tax

- On 31 January 2022, the UAE MoF announced that corporate tax would be levied on business profits which will be effective for financial years starting on or after June 01, 2023.
- The UAE corporate tax regime has been designed to implement global best practices and reduce the compliance burdens for businesses.
- The prescribed statutory rates are :
  - 0% for taxable profits up to AED 375,000
  - 9% for taxable profits above AED 375,000
  - Different rate for large MNEs meeting revenue thresholds specified in 'Pillar Two' (Eur 750 million / AED 3.15 billion)
- Detailed regulations, guidelines and compliance mechanism framework is expected to be announced by the MoF by mid of 2022.
- For more details refer to our detailed alert on the topic at [https://media-exp1.licdn.com/dms/document/C4E1FAQHfV9ctfncXGQ/feedshare-document-pdf-analyzed/0/1643697244801?e=1644904800&v=beta&t=waAqsGsBRHzRSK\\_Cw5-dj8\\_TNe75XKEcOCqRsjrN0pc](https://media-exp1.licdn.com/dms/document/C4E1FAQHfV9ctfncXGQ/feedshare-document-pdf-analyzed/0/1643697244801?e=1644904800&v=beta&t=waAqsGsBRHzRSK_Cw5-dj8_TNe75XKEcOCqRsjrN0pc)

### Qatar

#### GTA confirms CIT return deadline

- Qatar's GTA has announced that the deadline to submit CIT returns for the year ending 31 December 2021 through the Dhareeba portal is 30 April 2022.
- Taxable income in Qatar is subject to a flat CIT rate of 10%, with certain exceptions available.
- The GTA may grant an extension to the deadline for filing CIT returns at its discretion, so far no announcements have been made.
- Taxpayers seeking an extension should submit any requests for extension of deadline 60 days before the expiry of the original deadline i.e., by 28 February 2022.
- Taxpayers are advised to ensure timely compliance and file their CIT within the prescribed timelines.

### Qatar

#### Qatar Free Zones no longer considered harmful by OECD

- OECD's Forum on Harmful Tax Practices recently published an updated progress report on nine preferential tax regimes which includes Qatar.
- The BEPS Inclusive Framework approved the said results on 18 January 2022.
- OECD's press release states that Qatar has amended its three free zones to conform with the BEPS minimum standard and therefore these tax regimes are no longer considered harmful.
- The free zones specified are:
  - Qatar Financial Centre
  - Free zone at science & technology parks
  - Qatar free zone areas
- The press release issued by OECD can be found at <https://www.oecd.org/tax/countries-continue-the-successful-implementation-of-international-standards-on-harmful-tax-practices-and-tax-dispute-resolution.htm>

## Contact Us

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## Glossary

<b>AED</b>	-	United Arab Emirates dirham
<b>BEPS</b>	-	Base erosion and profit shifting
<b>CIT</b>	-	Corporate Income Tax
<b>EUR</b>	-	Euro
<b>GTA</b>	-	General Tax Authority
<b>MNE</b>	-	Multinational Enterprise
<b>MoF</b>	-	Ministry of Finance
<b>OECD</b>	-	Organisation for Economic Co-operation and Development
<b>UAE</b>	-	United Arab Emirates