

Round-Up on International Tax and Transfer Pricing Developments

KSA

Updated TP guidelines issued by ZATCA

- The KSA's ZATCA recently issued an updated edition of its TP guidelines.
- These guidelines govern the way related party transactions are undertaken by applicable operating businesses in the KSA.
- The guidelines also serve as a basis for dealing with practical TP issues in the KSA.
- The updated guidelines cover the following areas:
 - TP framework
 - Related persons
 - TP method selection
 - Financial analysis
 - TP documentation required
 - PEs
- The TP guidelines issued by ZATCA can be found at:
https://zatca.gov.sa/en/HelpCenter/guidelines/Documents/Transfer%20Pricing%20Guidelines_Final_Manual.pdf

Qatar

GTA commences tax audits

- Qatar's GTA has notified certain taxpayers, through the Dhareeba portal, of its intention to conduct field audits.
- The Income Tax Law No. 24 of 2018 and its Executive Regulations states that the GTA has the authority to conduct tax audits and field inspections at taxpayers' offices and fields of business.
- The communication from the GTA informs the taxpayers to expect a call from one of its officers and informs taxpayers of the following:
 - Tax period under audit
 - Tax type under audit
 - Date of commencement of the audit
 - Place of the tax audit
- Taxpayers are advised to present the necessary sources of information and explanations and provide assistance to the GTA in reviewing systems and applications involved in tax return preparations.
- It is advised that taxpayers' preparations for tax audits begin well in advance by ensuring that basic documents and preliminary information are readily available to avoid any tax penalties or exposure in the event of any GTA audits.

UAE

Ratification of DTT with Congo

- Earlier this month, the UAE Cabinet approved a DTT between the UAE and the Democratic Republic of Congo, which was signed on October 12, 2021 during Expo 2020.
- Having been ratified by the Emirati Council of Ministers, this is the first treaty of its kind between the two countries.
- The agreement was signed in order to boost trade and economic relations between the two countries and to enhance the security of investments made in the DRC.
- This significant tax development is believed to be a part of Congo's constant search for opportunities and investors from around the world to invest in the country.
- The steadily increasing trade between DRC and UAE since 2017 partly contributed towards the establishment of this significant tax development.

Contact Us

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Glossary

DRC	-	Democratic Republic of Congo
DTT	-	Double Tax Treaty
GTA	-	General Tax Authority
KSA	-	Kingdom of Saudi Arabia
PE	-	Permanent Establishment
TP	-	Transfer Pricing
UAE	-	United Arab Emirates
ZATCA	-	Zakat, Tax, and Customs Authority