Grant Thornton

Tax Newsletter

December 2023

Grant Thornton

Landscape

In our December 2023 edition of GT's regional monthly Tax Newsletter, we provide the latest news updates affecting International Tax, Corporate Tax, Transfer Pricing, and Indirect Taxes in the UAE and across the GCC region.

Contents

UAE Value Added Tax

The Federal Tax Authority (FTA) introduces VAT Public Clarification "VATP034" on the criteria to be followed in the determination of parts and pieces of electronic devices

In continuation to Decision No. 91 of 2023 and public clarification VATP034, the Minister of State for Financial Affairs has specified three criteria that should be followed in determining the pieces and parts related to electronic de-vices via Ministerial Decision No. 262 of 2023 and subsequent Public Clarification VATP035 dated 2 December 2023. The pieces and parts will be considered related to Electronic Devices when one or more of the three criteria are met and do not fall within the exceptions stated in Article 3(2) of Ministerial Decision No. 262.

Conditions to determine of parts and pieces are related to Electronic Devices:

1. Pieces and Parts that are normally used in the manufacturing or production and necessary for the normal operation
    - This criteria applies to all components and parts used in the manufacture or production of tablets, computers, smart phones, and mobile phones, the scope of which is explained in public clarification VATP034. It is also required that the pieces and parts are necessary for the normal operation of the de-vices.
    - The recent clarification has provided certain examples which meet this criterion. This includes the following:
        - Coils, capacitators, couplers, diodes, regulators, resistors, transistors, microchips and other such pieces and parts of smart phones, mobile phones and tablets.
        - Accelerometers, heart rate monitors, gyroscopes processors, etc. built into smart watches that are an extension of a smart phone or mobile phone or that can connect independently and directly to cellular networks ("Smart Watches")
        - CPU, RAM, hard drive, optical drive, network interface card, etc. that are part of the hardware of the computer device.

2. Pieces and Parts that are not normally used for the manufacturing or production of Electronic Devices, but are necessary for the normal operation of Electronic Devices

    - This criterion applies to all pieces and parts that are required for continuing the normal operation of the Electronic Devices, such that, without these parts and pieces, the electronic device may operate for certain amount of time but these parts and pieces would be required for continued operation.
    - The use of pieces and parts that guarantee the Devices' continued normal operation would include chargers (wired or wireless). Additional components that fit this second condition are desktop computer keyboards, mouse, and external monitors since they are necessary for normal operation.

3. Replacement pieces and parts that satisfy the conditions specified in paragraphs (a) and (b) of Clause 1 of this article

    - Parts and components that fulfill the third requirement are those that can be used instead of any goods that satisfy the first two requirements.

    It is also noteworthy that the criteria must be considered separately from each other As, it is possible that a piece or part does not fall under one criterion but, because of its characteristics, meets another criterion.

Exceptions to the above conditions:

1. Pieces and parts that improve the functioning or enjoyment of electronic devices but are not essential for the devices to operate or to activate basic features.

    - To apply Cabinet Decision No. 91, the provider must evaluate whether the supply qualifies as a single composite supply and take into account the application of Article 4 of the Executive Regulation.
    - Examples of such pieces and parts include but are not limited to external speakers, phone cases and covers, a keyboard with device cover combination for a tablet, headphones and earphones, screen protectors, selfie sticks, device holders, power adapters, pencils for tablets, projectors, USB sticks, dongles, etc.

2. SIM cards or other external smart cards serve the same purpose.

    - SIM Cards and other smart cards are explicitly excluded from the application of Ministerial Decision No. 262 and hence are excluded from the application of Cabinet Decision No. 91.
    - Example of such would include R-UIM cards, eSIMs, subscriber cards, etc.

The above decision is effective from 30 October 2023. Also, any examples given in this clarification are examples only and it remains the responsibility of the VAT registrants in the transaction to determine if goods supplied meet the criteria or not.

For further information on the above-mentioned update, please click **here**.

Should you need any further clarification and details regarding this update, please contact our VAT Directors **Harsh Bhatia**, or **Sunny Kachalia** or our VAT Associate Director **Charlotte Stanley**.

UAE Customs and Excise

The Dubai Customs issue Customs Notice No. (11/2023), on Digitisation of Vehicle Clearance Certificate (VCC) Card

Effective from 10 December 2023, Dubai Customs has announced that Vehicle Clearance Certificate (VCC) cards will be issued in a digital format henceforth.

These VCC cards will be available for clients to print or download in the digital format, if required.

a. The digital VCC copy can be obtained by the importer, broker, or their authorised designee by submitting a service request via the Dubai Trade site.

b. After paying the necessary costs, the customer will download the digital VCC card from Dubai Trade.

c. A QR code will be on the VCC card so that its validity and authenticity can be confirmed.

d. If the VCC card has not been printed, the regular procedural regulation for VCC cancellation after 90 days from the date of the certificate request will be nullified and clients will be permitted to obtain the certificate from the Dubai Trade portal.

The procedures for VCC cancellation or alteration will not be subject to any changes. For an amendment or cancellation of the digital VCC card, the client or its authorised designee must submit a request to the customs center along with a To Whom It May Concern certificate from RTA attesting to the fact that the vehicle is not registered in the United Arab Emirates.

It is important for businesses to note these changes as the VCC card is an obligatory for every vehicle that requires registration in the United Arab Emirates after obtaining the material clearances.

For further information on the above-mentioned update, please click **here**.

Should you need any further clarification and details regarding this update, please contact our VAT Directors **Harsh Bhatia**, or **Sunny Kachalia** or our VAT Associate Director **Charlotte Stanley**.

Value Added Tax

Bahrain – The National Bureau of Revenue (NBR) invites eligible businesses to register for VAT

On 5 December 2023, the NBR published highlights on who requires to be registered for the VAT purposes, the explanation of the economic activity and when to register for the VAT purposes including the registration threshold of BHD 37,500.

Should you need further clarification and details regarding this update, please contact GT Bahrain Senior Tax Partner **Jatin Karia**, or Director **Shashank Arya**.

Oman – the Oman Tax Authority (OTA) amends a few sections of the Executive Regulations to the VAT Law

A decision No. (521/2023) was issued by the OTA to amend sections of the Value Added Tax Law's Executive Regulations. The decision includes additional instances when VAT refunds may be available subject to certain conditions and controls being in place.

The three additional instances when VAT refund is now possible includes the following:

1. The tax paid by charities that do not aim for profit and fame per the laws in force in the Sultanate of Oman;
2. The tax paid when importing from a non-taxable person is more than the tax due; and
3. The re-export of imported goods on which the tax has been imposed is subject to the conditions and controls stipulated in the Unified Customs Law being met. then the customs tax can be refunded.

The procedure for applying for the above special cases of refund are as given below:

1. A request for a VAT refund must be submitted to the OTA for each quarter separately.
2. The total amount which needs to be refunded should not be less than 15 Omani Riyals.
3. After submitting the Taxpayer Checklist along with all the necessary documents, the OTA will notify the taxpayer of the decision of the refund request's status within thirty days; if not, the request will be considered as ‘rejected’.
4. The taxpayer will get a refund of the approved amount, in full or in part, within fifteen days of the decision being communicated to the taxable person.

For further information on the above-mentioned update, please click **here**.

Should you need any further clarification and details regarding this update, please contact our CEO and Head of Advisory, **Badar Al Hashmi**.

Excise Middle East Countries Update

Bahrain – The National Bureau of Revenue (NBR) has implemented the final phase of implementing the Digital Stamps Scheme on some excise goods of tobacco products

The National Bureau for Revenue ('NBR') has announced that starting from 24 December 2023, the final phase of implementing the Digital Stamps Scheme on some excise goods of tobacco products will be enforced. The Digital Stamps Scheme is designed to track excise goods from the manufacturing stage to the point of consumption through digital stamps, which will protect against the circulation of counterfeit or illegal products.

This means that all products available for possession, trade, supply, or sale in the local markets must have valid and activated digital stamps. These products include electronically heated tobacco products (EHTP), jirak, chopped or pressed tobacco for pipes, chopped or pressed tobacco for dokha and chopped or pressed tobacco for cigarettes.

To ensure compliance with this requirement, the NBR urges all importers and traders in the local market to deal with appropriate quantities of the specified tobacco products and to avoid the storage of any products without digital stamps, in order to be cleared prior to the final phase going into effect by 24 December 2023. After which the possession, trade, supply, or sale of specified tobacco products without a valid and activated digital stamp in the local market will be strictly prohibited.

Any specified tobacco product in the supply chain that does not have a valid and activated digital stamp after 24 December 2024 must be either returned through the relevant supply chain for destruction or moved for sale outside the territories of the Kingdom of Bahrain. This measure aims to ensure effective implementation and to avoid any violations through inspection efforts or other operations conducted by the NBR, which requires taking further legal actions such as imposing administrative penalties or filing a criminal case for Excise evasion.

Should you need further clarification and details regarding this update, please contact GT Bahrain Senior Tax Partner **Jatin Karia**, or Director **Shashank Arya**.

GCC Tax Developments

UAE Federal Tax Authority provides guidance on Taxation of Extractive Business and Non-Extractor Natural Resource

On December 12, 2023, the UAE Federal Tax Authority (FTA) released a guide entitled Taxation of Extractive Business and Non-Extractive Natural Resource, identified as CTGEPX1.

This guide is created to offer general guidance regarding Extractive Businesses and Non-Extractive Natural Resource Businesses within the context of Corporate Tax. It aims to give readers a broad understanding of:

- Scope of the Corporate Tax exemption for Extractive Businesses and Non-Extractive Natural Resource Businesses.
- How the Corporate Tax rules apply to Extractive Businesses and Non-Extractive Natural Resource Businesses.
- How the Taxable Income of any other Business of an Extractive Business or Non-Extractive Natural Resource Business is determined.
- Compliance requirements for Extractive Businesses and Non-Extractive Natural Resource Businesses under the Corporate Tax Law.

This guide is meant for individuals or entities engaged in Extractive Business and/or Non-Extractive Natural Resource Business in the UAE. It is recommended to be reviewed alongside the Corporate Tax Law, its implementing decisions, and additional pertinent guidance released by the Federal Tax Authority (FTA).

To access the guide, please click **here**.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Tax Partner **Anuj R. Kapoor** or Associate Tax Directors **Tatiana Stupenkova** and **Amisha Anil**.

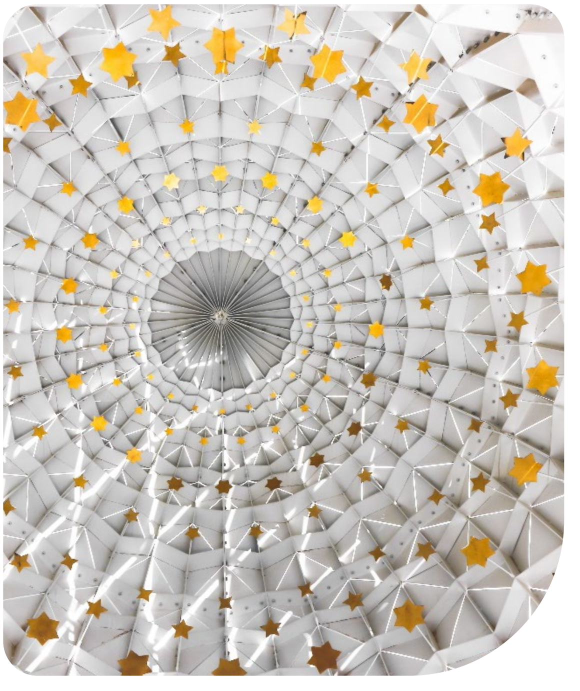
Brunei, Kuwait, and New Zealand to be screened for EU Non-Cooperative List

On December 8, 2023, the EU Economic and Financial Affairs Council approved the broadening of the geographical scope of the EU listing exercise, which is a screening process for the EU list of non-cooperative jurisdictions. The Code of Conduct Group (Business Taxation) conducts this screening process. The expansion involves the inclusion of Brunei, Kuwait, and New Zealand. If, following the screening, these countries are determined not to meet the standards of transparency, fair taxation, and the implementation of the OECD BEPS minimum standards, they may be added to the EU list of non-cooperative jurisdictions. However, jurisdictions typically have the opportunity to address any identified issues within agreed-upon deadlines before being officially listed as non-cooperative.

For further information, please click **here**.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Partner **Anuj R. Kapoor** or Associate Transfer Pricing Director **Nimesh Malik**.

Saudi Arabia provides 30-year Tax Incentive Package for Regional Headquarters



On December 5, 2023, the Saudi Press Agency released information about a 30-year tax incentive plan for the Regional Headquarters (RHQ) Program, designed to encourage the formation of RHQs in Saudi Arabia. The package encompasses a corporate income tax rate of 0% and a withholding tax rate of 0% for approved RHQ activities.

The Ministry of Investment of Saudi Arabia (MISA), working in conjunction with the Ministry of Finance and the Zakat, Tax, and Customs Authority (ZATCA), unveiled a 30-year tax incentive plan for the Regional Headquarters (RHQ) Program. This initiative aims to enhance the ease with which multinational companies (MNCs) can establish their RHQ in Saudi Arabia.

The RHQ 30-year tax relief incentive includes a zero percent (0%) rate for:

- Corporate income tax.
- Withholding tax ('WHT') related to the approved RHQ activities.

The companies will benefit from the RHQ tax relief from the day they obtained their RHQ license.

The RHQ Program, a collaborative effort between MISA and the Royal Commission for Riyadh City (RCRC), seeks to attract multinational companies (MNCs) to establish their Regional Headquarters (RHQ) in Saudi Arabia. The goal is to position the Kingdom as the premier commercial, industrial, and investment hub for the MENA region. The program provides a range of benefits and premium support services that complement Saudi Arabia's globally competitive value proposition. Launched initially in 2021, the program has granted licenses to over 200 companies to operate their RHQ from Saudi Arabia. Furthermore, a dedicated supporting program has led to the announcement of seven international K-12 schools establishing new campuses in the Kingdom, targeting the recruitment of top-notch international schools worldwide.

Should you need any further clarification and details regarding this update, please contact our GT KSA Tax Team – Head of Tax **Adel Daglas**, Tax Partner **Imad Adileh** or Tax Director **Mohamed Hwitat**.

UAE Federal Tax Authority provides guidance on Exempt Persons, including Public Benefit Entities, Pension Funds and Social Security Funds

On December 1, 2023, the Federal Tax Authority (FTA) of the UAE released the Corporate Tax Guide on Exempt Persons: Public Benefit Entities, Pension Funds, and Social Security Funds, referred to as CTGEPF1.

This guide aims to offer general direction regarding the Exempt Persons status in the context of Corporate Tax. It furnishes readers with a summary of the criteria determining Exempt Persons status for:

- Qualifying Public Benefit Entities,
- public pension or social security funds,
- private pension or social security funds, and
- wholly owned and controlled subsidiaries of pension and social security funds.

Anyone with an interest in or influence by the Corporate Tax regulations that pertain to Qualifying Public Benefit Entities, both public and private pension or social security funds, along with their wholly owned and controlled subsidiaries in the UAE, should refer to this guide.

To access the guide, please click **here**.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Tax Partner **Anuj R. Kapoor** or Associate Tax Directors **Tatiana Stupenkova** and **Amisha Anil**.

UAE Federal Decree-Law amending Corporate Tax Law in preparation for Pillar 2 Global Minimum Tax

The Ministry of Finance in the UAE has released **Federal Decree-Law No. 60 of 2023**, introducing modifications to specific clauses of Federal Decree-Law No. 47 of 2022 (the "Corporate Tax Law"). As noted earlier, these adjustments are implemented in anticipation of the implementation of the global minimum tax under Pillar 2. The revisions involve the incorporation of two new definitions into the Corporate Tax Law:

- Top-up Tax:

  The additional tax levied on Multinational Enterprises as per the Corporate Tax Law, along with the regulations specified by the Cabinet under Article (3) the Corporate Tax Law, align with the requirements of the Pillar Two rules established by the Organisation for Economic Cooperation and Development (OECD).

- Multinational Enterprise:

  An entity and/or one or more of its member entities located in the UAE or in a foreign jurisdiction, as specified in a decision to be issued by the Cabinet at the suggestion of the Minister

A new provision, Clause 3, is incorporated into Article 3 of the Corporate Tax Law, addressing the corporate tax rate. Clause 3 stipulates that, based on the Minister's recommendation, the Cabinet will issue a decision to govern all instances, provisions, conditions, rules, controls, and procedures related to the imposition of the Top-up Tax on Multinational Enterprises and any exemptions, ensuring that the overall effective tax rate imposed on them remains at 15%.

The revisions also encompass modifications to Article 65 of the Corporate Tax Law concerning revenue distribution. It specifies that the Corporate Tax, Top-up Tax revenues, and Administrative Penalties collected under the Decree-Law will be subject to distribution between the Federal Government and the Local Governments in accordance with the provisions of an existing federal law governing this matter.

Finally, Decree-Law No. 60 stipulates that the regulations related to the Top-up Tax will be enforced from the date designated in a decision issued by the Cabinet upon the Minister's recommendation, and this decision will be made public in the Official Gazette.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Tax Partner **Anuj R. Kapoor** or Associate Tax Directors **Tatiana Stupenkova**.

UAE Federal Tax Authority provides guide on Taxation of Natural Persons under the Corporate Tax Law

On November 26, 2023, the UAE Federal Tax Authority (FTA) released the Corporate Tax Guide on Taxation of Natural Persons under the Corporate Tax Law. This guide is designed to provide general guidance on the taxation of natural persons under the Corporate Tax Law. It provides readers with an overview of:

- When does the Corporate Tax Law apply to natural persons?
- Calculation of Corporate Tax for natural persons
- Interactions with other Businesses
- Corporate Tax compliance for natural persons

Any individual should peruse the guide to gain insight into how the Corporate Tax Law's provisions are applicable to natural persons. The guide is designed to be reviewed alongside the Corporate Tax Law, implementing decisions, and additional pertinent guidance provided by the FTA.

To access the guide, please click **here**.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Tax Partner **Anuj R. Kapoor** or Associate Tax Directors **Tatiana Stupenkova** and **Amisha Anil**.

UAE Federal Tax Authority provides guide on accounting standards and interaction with Corporate Tax

On November 16, 2023, the UAE Federal Tax Authority (FTA) released the Corporate Tax Guide on Taxation of Foreign Source Income. The guide aims to offer general advice to taxpayers on the taxation of foreign source income in accordance with the Corporate Tax Law. It provides explanations on the following:

- Relevance of foreign source income under the Corporate Tax Law;
- What is considered foreign source income for Taxable Persons under the Corporate Tax Law?
- Which Taxable Persons are subject to tax on foreign source income?
- When is foreign source income taxable?
- Determining Taxable Income and Exempt Income in respect of foreign source income; and
- What is a Foreign Tax Credit, and how is it computed?

This guide is meant for a Taxable Person who earns income from sources outside the UAE, including a Qualifying Free Zone Person. It is recommended to be reviewed alongside the Corporate Tax Law, implementing decisions, and additional pertinent guidance published by the FTA.

To access the guide, please click **here**.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Tax Partner **Anuj R. Kapoor** or Associate Tax Directors **Tatiana Stupenkova** and **Amisha Anil**.

Kuwait joins BEPS Inclusive Framework

The OECD has declared that Kuwait has become a participant in the Inclusive Framework on BEPS, increasing the total membership to 145. By joining the Framework, Kuwait has pledged to adhere to the minimum BEPS standards and endorse the two-pillar solution designed to tackle tax issues arising from the digitisation of the economy.

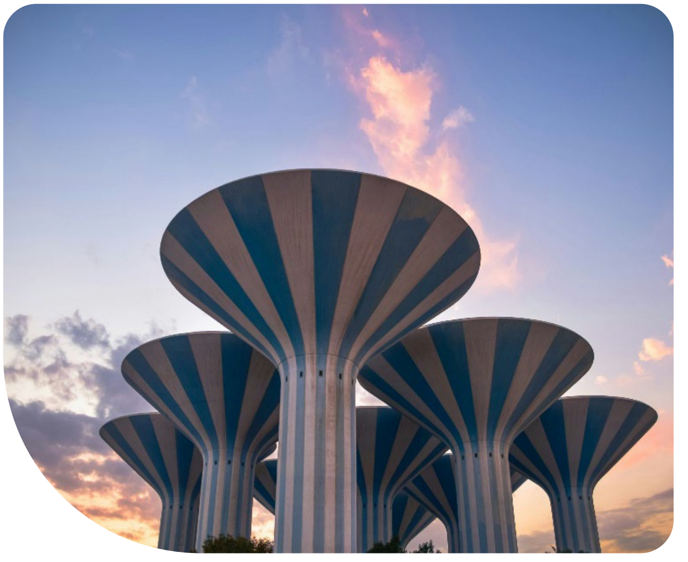
For more information, please click **here**.

Should you need any further clarifications and details regarding this information, please contact our Corporate Tax Team – Tax Partner **Anuj R. Kapoor** or Associate Tax Directors **Tatiana Stupenkova**.

GCC Tax Treaty Developments

Tax Treaty between Antigua and Barbuda and the UAE

On December 12, 2023, Russia released **Federal Law No. 571-FZ** in the Official Gazette, ratifying the pending income tax treaty with Oman that was signed on June 8, 2023. An earlier treaty was signed in 2001 but remained unratified. The recent treaty will become effective upon the exchange of ratification instruments and will be applicable from January 1 of the year following its entry into force.



As mentioned earlier, the income and capital tax treaty between Antigua and Barbuda and the United Arab Emirates became effective on February 24, 2022. This treaty, signed on January 15, 2017, marks the first of its kind between the two nations.

Taxes Covered

The treaty covers Antigua and Barbuda taxes of every kind and description, and covers UAE income tax and corporate tax.

Income from Hydrocarbons

Article 3 (Income from Hydrocarbons) stipulates that, regardless of any other aspect of the treaty, it is affirmed that nothing will impede the right of either Contracting State or any of their local Governments or local authorities to enforce their domestic laws and regulations concerning the taxation of income and profits originating from hydrocarbons located within the territory of the respective Contracting State, as applicable.

Service PE

The treaty contains a provision stating that a permanent establishment will be considered established if an enterprise provides services in a Contracting State using employees or other engaged personnel for a cumulative period exceeding 9 months.

Withholding Tax Rates

- Dividends - 0%
- Interest - 0%
- Royalties - domestic rates apply

Note, it was previously reported that the treaty provided a 0% rate (exemption) for royalties. This has been updated.

Capital Gains

The following capital gains derived by a resident of one Contracting State may be taxed by the other State:

- Gains from the alienation of immovable property situated in the other State, but tax charged is reduced by 50%;
- Gains from the alienation of movable property forming part of the business property of a permanent establishment in the other State; and
- Gains from the alienation of shares deriving more than 50% of their value directly or indirectly from immovable property situated in the other State, unless listed on a recognised stock exchange.

Gains from the alienation of other property by a resident of a Contracting State may only be taxed by that State.

Double Taxation Relief

Both countries apply the credit method for the elimination of double taxation.

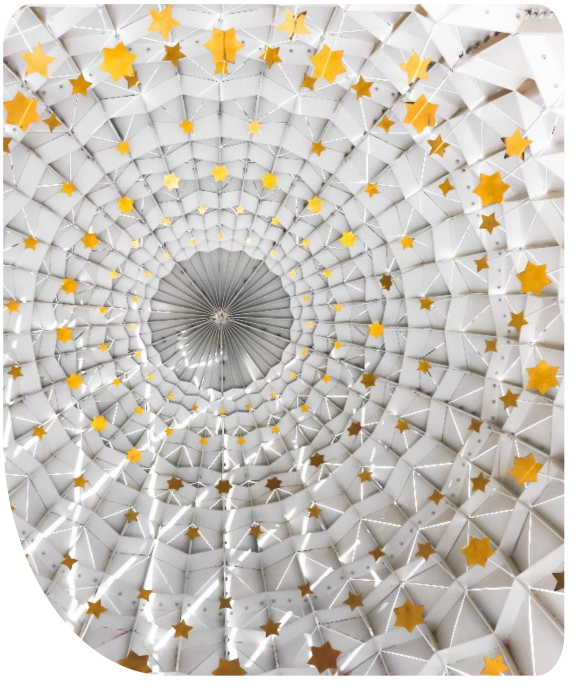
The treaty applies from 1 January of the year following the year it was signed, i.e., from 1 January 2018.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.

Russian ratifies pending Tax Treaty with Oman

On December 12, 2023, Russia released **Federal Law No. 571-FZ** in the Official Gazette, ratifying the pending income tax treaty with Oman that was signed on June 8, 2023. Although a previous treaty was signed in 2001, it was never ratified. The most recent treaty will become effective upon the exchange of ratification instruments and will be applicable from January 1 of the subsequent year following its entry into force.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.



Austria authorises signing of amending protocol to Tax Treaty with Qatar

On November 29, 2023, the Austrian Council of Ministers granted authorisation for the signing of a protocol to amend the 2010 tax treaty with Qatar. This protocol represents the initial amendment to the existing treaty and is required to undergo both signing and ratification processes before becoming effective.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.

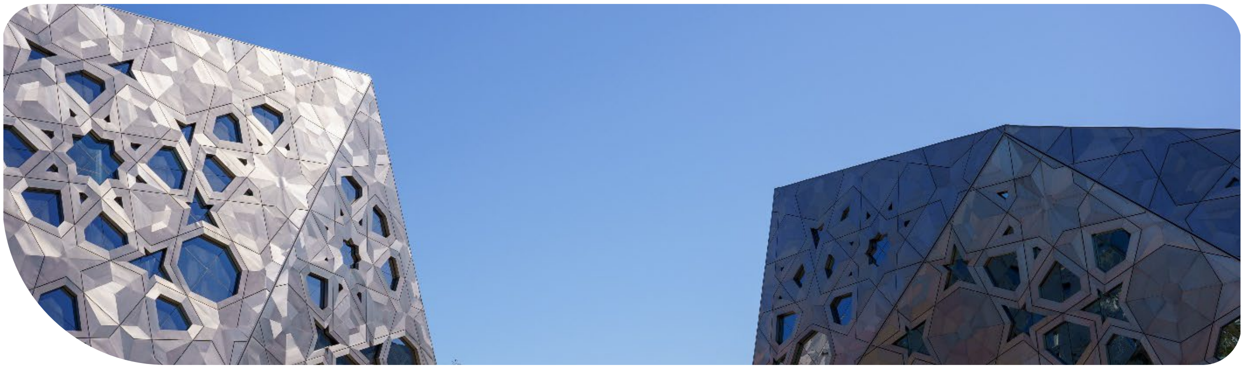
13 countries confirm entry into force of covered agreements for BEPS MLI

On December 1, 2023, the OECD released an **information note** regarding the commencement of specific tax treaties governed by the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI). This encompasses the acknowledgment from 13 countries regarding the effectiveness of certain covered agreements, which were initially not specified as in force when the countries initially submitted their ratification instruments for the MLI.

The GCC countries that have affirmed the entry into force, along with the corresponding covered agreements, are as follows:

- Bahrain:
  - 2006 treaty with Sudan
  - 2019 treaty with Switzerland
- Qatar:
  - 2013 treaty with Morocco
- Saudi Arabia:
  - 2019 treaty with Albania
  - 2015 treaty with Gabon
  - 2015 treaty with Morocco
  - 2018 treaty with Switzerland
- Jersey:
  - 2016 treaty with the United Arab Emirates
- San Marino:
  - 2018 treaty with the United Arab Emirates
- United Arab Emirates:
  - 2014 treaty with Albania
  - 2015 treaty with Andorra
  - 2018 treaty with Angola
  - 2017 treaty with Antigua and Barbuda
  - 2016 treaty with Argentina
  - 2014 treaty with Barbados
  - 2015 treaty with Belize
  - 2015 treaty with Bermuda
  - 2017 treaty with Cameroon
  - 2017 treaty with Costa Rica
  - 2017 treaty with Croatia
  - 2016 treaty with Ecuador
  - 2015 treaty with Ethiopia
  - 2012 treaty with Fiji
  - 2017 treaty with Maldives
  - 2015 treaty with Mauritania
  - 2017 treaty with Moldova
  - 2017 treaty with Paraguay
  - 2017 treaty with Rwanda

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.



Tax Treaty between Cuba and the UAE signed

On November 29, 2023, representatives from Cuba and the United Arab Emirates formalised the signing of an income tax treaty. This treaty, the inaugural agreement between the two nations, will become effective following the exchange of ratification instruments. Information regarding the treaty's specifics will be disclosed once it is made available.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.

Kazakhstan Prime Minister authorises signing of Tax Treaty with Oman

On November 10, 2023, the Prime Minister of Kazakhstan, Alikhan Smailov, endorsed a decree permitting the signing of an income and capital tax treaty with Oman. This treaty marks the inaugural agreement between the two nations and necessitates signing and ratification before becoming effective. Further information about the treaty will be disclosed upon availability.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.

Amending protocol to Tax Treaty between Qatar and Ukraine in force

Ukraine has released Letter No. 72/14-612/1-134734 dated November 9, 2023, from the Ministry of Foreign Affairs, indicating that the amending protocol to the 2018 tax treaty with Qatar became effective on June 11, 2023. Signed on September 2, 2021, this protocol represents the first amendment to the treaty and introduces revisions to the preamble and Articles 25 (Mutual Agreement Procedure) and 26 (Exchange of Information). Additionally, it introduces a new Article 28 (Entitlement to Benefits), stating that a benefit under the treaty will not be granted for a specific income if it is reasonable to conclude, considering all relevant facts and circumstances, that obtaining that benefit was a primary purpose of any arrangement or transaction leading directly or indirectly to that benefit. The protocol generally applies from January 1, 2024.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.

Tax Treaty between Saudi Arabia and the Slovak Republic signed

On November 13, 2023, representatives from Saudi Arabia and the Slovak Republic formalised the signing of an income tax treaty. This treaty, being the inaugural agreement between the two nations, will come into effect following the exchange of ratification instruments. Specifics of the treaty will be disclosed once information becomes available.

Should you need any further clarifications and details regarding this information, please contact our International Tax Team – Partner **Anuj R. Kapoor** or Associate Tax Director **Amisha Anil**.

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