

Round-up on International Tax and Transfer Pricing Developments

UAE

Seminar conducted by OECD and MoF

- The UAE's MoF together with the OECD organized a seminar covering transfer pricing and tax treaties in December 2021.
- The UAE and the OECD have jointly organized 14 annual seminars since 2006 to promote the growth of tax treaty networks in the MENA region.
- The seminar was inaugurated by H.E. Younis Haji Al Khoori, Undersecretary of MoF and Pascal Saint-Amans, Director of the Centre for Tax Policy and Administration at the OECD.
- Over a hundred experts from the region and representatives from federal and local authorities participated.
- Key topics discussed include:
 - Transfer pricing developments
 - Tax treaties developments
 - Tax challenges arising from digitization
 - International taxes
- We will have to closely monitor the further developments on the tax and transfer pricing front in the UAE, specifically the adoption of the two Pillar solution.

KSA

Updated WHT Guidance published by ZATCA

- ZATCA issued an updated WHT Guidance in Arabic.
- The Guidance provides various practical scenarios and clarifies the WHT treatment for such cases.
- Some of the key scenarios covered include:
 - Point-based customer loyalty programs
 - Returns on loans
 - Brokerage fees
 - Returns on securities
- The ZATCA issued Guidance in Arabic can be found at <https://zatca.gov.sa/ar/HelpCenter/guidelines/Documents/%D8%AA%D9%88%D8%B6%D9%8A%D8%AD%20%D8%A3%D8%AD%D9%83%D8%A7%D9%85%20%D8%A7%D8%B3%D8%AA%D9%82%D8%B7%D8%A7%D8%B9%20%D8%A7%D9%84%D8%B6%D8%B1%D9%8A%D8%A8%D8%A9.pdf>

Oman

Tax treaty between Oman and Slovak Republic

- In December 2021, Slovak Republic published a notice stating that the income tax treaty with Oman entered into force on 15 November 2021.
- The treaty was originally signed on 25 March 2018 and was later ratified by both countries.
- The tax treaty is effective from 1 January 2022 onwards.
- The treaty covers all the standard clauses and provides for the following withholding tax rates:
 - Dividends – 0%
 - Royalties – 10%
 - Interest – 10%
- Both countries provide tax relief by applying the credit method to eliminate double taxation.

Contact Us

For more information visit our Website <https://www.wts-dhruva.com>
Contact us at +97142408477

Glossary

KSA	-	Kingdom of Saudi Arabia
MENA	-	Middle East and North Africa
MoF	-	Ministry of Finance
OECD	-	Organisation for Economic Co-operation and Development
UAE	-	United Arab Emirates
WHT	-	Withholding Tax
ZATCA	-	Zakat, Tax and Customs Authority