

# ESR alert | New online portal for ESR submissions

Kingdom of Bahrain | 29 April 2021



The National Bureau for Revenue (NBR) has assumed responsibility for managing economic substance reporting (ESR). Companies submitting ESR returns for fiscal year 2020 are – in a significant change to previous reporting requirements - required to use the NBR's international tax information exchange system (ITIES). **Companies that have already submitted 2020 returns by email will need to submit their returns again online.** ESR returns for fiscal year 2020 are due by 31 May 2021.

## How do you register on ITIES?

1. Go to <https://ities.nbr.gov.bh/about/registration>
2. Create an ITIES account
3. Add your organisation details - and then add individual entities. Grouped organisations must be regulated by the same regulator (usually the CBB or MOICT).
4. Add your CR number and CBB licence number (if relevant)
5. Entity details will then be authorised by the CBB or MOICT.
6. Once authorised, you can submit your ESR return.
  - Entities that fail to report by 31 May could be subject to penalties that range from violations and fines to sanctions and removal from the companies register.

## What are ESR relevant activities?

- Bahrain's ESR legislation requires businesses resident in the kingdom for tax purposes to demonstrate that they have economic substance in the kingdom if they are undertaking certain relevant activities:
  - Distribution and service centre activities
  - Headquarters activities
  - Holding company activities
  - Leasing activities
  - Shipping activities
  - Intellectual property activities within Bahrain
  - Banking activities
  - Financing companies
  - Insurance activities
  - Investment business firms
  - Fund administrators

## What should you do now?

- Companies that have already submitted ESR returns for 2020 **need to submit their returns again using the ITIES portal.**
- Given the deadline of 31 May, companies should register online immediately once the portal opens on 3 May 2021.

## Contact us:



**Mohammed Ashraf**  
Senior director | Corporate advisory  
[mohammed.ashraf@keypoint.com](mailto:mohammed.ashraf@keypoint.com)  
+973 3648 5235



**Raman Ohri**  
Head | Direct tax  
[raman.ohri@keypoint.com](mailto:raman.ohri@keypoint.com)  
+973 3516 2335



**Tariq Haq**  
Manager | Tax advisory  
[tariq.haq@keypoint.com](mailto:tariq.haq@keypoint.com)  
+973 3628 3351



**AbdulRahman Bucheeri**  
Assistant Manager | Tax advisory  
[abdulrahman.bucheeri@keypoint.com](mailto:abdulrahman.bucheeri@keypoint.com)  
+973 3937 7564



**Reem Ebrahim**  
Consultant | ESR SME  
[reem.ebrahim@keypoint.com](mailto:reem.ebrahim@keypoint.com)  
+973 3939 4999

**Disclaimer:** The information in this document is based on our understanding of the BEPS initiatives and material posted on the NBR's website. It is provided for information purposes only. Any omissions or errors are inadvertent. This document should not be relied upon in making any decisions. You should seek appropriate professional advice from a tax advisor before making any decision relating to your particular circumstances.