keypoint

Tax Services
in Saudi Arabia and Bahrain

Tax Services

Our tax team - operating out of offices in Bahrain and Saudi Arabia - helps key decision makers understand the impact that taxes have on businesses and their stakeholders, as well as ways to optimise tax liabilities. Our team has deep experience and expertise across a broad range of compliance and advisory issues relating to both direct and indirect tax. Businesses in this rapidly growing region need the right advisors giving the right advice. Our approach – based on our extensive direct and indirect tax experience and our desire to add to our growing roster of clients – combine to make us the right choice.

Client priorities, expectations and risk appetite are key drivers of both our approach and our work products. Working to the highest professional standards, we focus on delivering quality in everything we do. We are a local tax function with an international perspective. Our service delivery is second-to-none, with unmatched flexibility and a fundamental belief in the power of mutually-beneficial business relationships.

We add value to our clients by offering insight, solving problems and supporting success. We have a realistic understanding of the challenges and complications of doing business in the region; extensive experience of dealing with tax authorities and other regulatory bodies; deep tax knowledge; and an unrivalled determination to be the tax advisor of choice.

- Corporate tax
- Value-added tax
- Withholding taxes
- *Zakat*

- Knowledge
- Health checks
- Due diligence
- Dispute resolution
- Tax audit support

- Double tax treaties
- BEPS Pillar 2 advisory
- Country-by-country reporting
- Economic substance
- Transfer pricing
- FATCA/CRS advisory
- Domestic minimum top-up tax

Tax services we provide may change according to market demand, as well as regulatory expectations.

Domestic taxation

Corporate tax

With corporate tax an increasingly critical corporate responsibility, our tax team - based in Saudi Arabia and Bahrain - uses its deep understanding of tax legislation and global leading practice to guide key decision-makers at leading businesses through a constantly changing tax landscape, helping to solve complex tax issues so that clients can navigate tax challenges while optimising tax positions.

Value-added tax

Our tax team helps key decision-makers understand the challenges of value-added tax (VAT), assess its impact, comply with national legislation and ensure the right amount of VAT is paid - or recovered - at the right time. Experience suggests that correctly advised businesses are more likely to generate VAT efficiencies and less likely to incur tax assessments and associated damage to either their reputation or their finances.

Withholding taxes

With corporate income tax now - or about to become - business as usual, withholding taxes (WHTs) are increasingly understood to be a cost of doing business in other countries. Our tax team uses its deep experience to assist with preparing and reviewing WHT returns, translating returns (as and where required) and submitting them to the relevant tax authorities.

Zakat[2]

Businesses in Saudi Arabia owned by GCC nationals – either wholly or partially - are required to make a charitable donation calculated at 2.5% of eligible (generally long-term) assets held for one lunar year to the Saudi tax authority, the *Zakat*, Tax and Customs Authority (ZATCA). With a new *zakat* law released in 2024, our *zakat* experts help guide owners and key decision-makers through the computation process so that the right amount of *zakat* is paid at the right time.

International taxation

Double tax treaties

The increase in double tax treaties means that businesses operating in more than one tax jurisdiction may be able to benefit from certain reliefs, including withholding tax (WHT) on payments made to non-residents. Our team's knowledge and experience help guide you through an increasingly complicated tax environment.

BEPS Pillar 2 advisory

Both Saudi Arabia and Bahrain have signed up to the OECD's BEPS pillar 2 initiative, signalling their commitment to tax transparency while establishing a minimum effective tax rate for multinational enterprises (MNEs). We advise key decision-makers at leading MNEs on global leading practice and how to structure operations and businesses in a tax-efficient manner.

Country-by-county reporting

As part of its base erosion and profits shifting (BEPS) action plan, the Organisation for Economic Cooperation and Development (OECD) requires multinational enterprises (MNEs) with consolidated revenues exceeding >€750m to report key financial information, including revenues, profits, taxes paid and employee counts, for every country they operate in. Our country-by-country (CbC) teams help identify and compile required information in an approved template for submission to tax authorities.

Economic substance

Our economic substance (ES) team uses its broad ES experience to assess ES obligations and support ES filings for businesses providing a 'relevant activity'.

Transfer pricing

As governments around the world implement global tax initiatives, key decision makers must consider how these changes might impact current tax positions. Using its market experience, Keypoint's tax team can suggest how transactions between enterprises under common control should be priced under emerging transfer pricing regulations.

[1]This tax solution is only offered in Bahrain.

[2]This tax solution is only offered in Saudi Arabia.

FATCA/CRS[1]

Both the US' Foreign Account Tax Compliance Act (FATCA) and the OECD's common reporting standard (CRS) impose significant requirements on financial institutions. Our FATCA/CRS teams offer broad expertise across a number of FATCA and CRS issues, allowing key decision makers and compliance leaders at financial institutions to focus on more value-adding, less resource-intensive tasks.

Domestic minimum top-up tax[1]

Bahrain introduced a domestic minimum top-up tax (DMTT) on 1 September 2024 in accordance with the OECD's Pillar 2 inclusive framework, effective from 1 January 2025. The DMTT applies to multinational enterprises (MNEs) with global consolidated revenues >€750m in at least two of the last four financial years. Our DMTT specialists have advised key decision-makers on DMTT obligations, assessed DMTT's impact on their businesses and prepared quarterly advance payment computations to be submitted to Bahrain's tax authority, the National Bureau for Revenue (NBR).

Tax support

Tax knowledge

Our tax team uses its significant tax knowledge to develop and deliver tax-focused workshops to general audiences and for specific purposes. Our TaxFlash emails keep key decision makers regularly informed of changes to the GCC's tax landscape.

Tax health checks

With new tax legislation, new compliance requirements and a constantly evolving tax landscape, what worked for an organisation may no longer be leading practice or – worse - no longer comply with local legislation. Our health checks - which can be applied across both direct and indirect tax - give key decision makers comfort that finance and tax systems are fit for purpose - or early warning of issues that need to be corrected.

Tax due diligence

Tax is an important element of any merger or acquisition and can impact investment decisions. As part of our tax due diligence services, we analyse and quantify tax risks and opportunities and identify potential contingencies and commitments, informing both buy- and sell-side decision makers.

Dispute resolution

Disputes with tax authorities are increasingly common. Our dispute resolution professionals help protect against and resolve a range of tax dispute issues. We help reduce their likelihood and - where an issue develops into a dispute - work efficiently and effectively with clients to find resolution.

Tax audit support

Tax authorities worldwide – including Saudi Arabia's *Zakat*, Tax and Customs Authority (ZATCA) and Bahrain's National Bureau for Revenue (NBR) – are becoming more proactive, including targeting businesses with tax audits either randomly or in response to perceived discrepancies. We work with key decision-makers at businesses to ensure income, expenses and deductions are reported accurately and to assess compliance with rapidly-transforming tax legislation.

[1]This tax solution is only offered in Bahrain.

[2]This tax solution is only offered in Saudi Arabia.

Advisory offerings

The need for tax advisory services is driven by the increasing complexity of tax legislation and requirements. Our team of tax experts - with deep credentials across sectors from oil & gas and family businesses to financial services, construction and retail - have the expertise clients need to efficiently and effectively do business. Our tax advisory services include:

Assistance with finalising assessments

- Attend field inspections by tax authorities
- Discuss and clarify tax authority queries
- Translate queries and information into/from Arabic (as required)
- Review, assess and discuss impact with clients
- Follow up with tax authorities to obtain final assessments
- Review final assessments and advise on next steps

Queries from tax authorities

- Advise on specific tax queries and their appropriate responses

Review of contracts and tax documents

- Review contracts and tax documents with resident and non-resident parties to assess compliance with applicable tax regulations

Health checks

To help identify areas of improvement, review:

- Compliance filings
- Documents
- Controls
- Systems

Review of tax provisions

- Review tax provisions and deferred tax amounts

Assistance with objections and appeals

- Discuss appeals with senior management
- Prepare and submit objections and appeals on clients' behalf (with translations where required)
- Follow up with tax appeal committees
- Prepare for - and attend - hearings

Advice on international tax issues

- Apply for WHT refunds or exemptions
- Advise on international tax issues - including double tax treaties

Tax due diligence

- Review previous tax filings to identify tax risks prior to a sale, acquisition or listing
- Analyse tax treatments for consistency with tax regulations and leading practice

e-invoicing

Work - where appropriate - with our technology consulting colleagues to:

- Prepare for/assess compliance with generation and integration requirements
- Implement e-invoicing solutions
- Review implementation of e-invoicing solutions

Compliance offerings

Key decision makers in finance and tax functions need to ensure their systems and operating practices are - and remain - compliant with new and increasingly complicated taxation legislation. Our tax compliance offerings in Saudi Arabia and Bahrain include:

Filing of tax returns

- Assist with preparing and reviewing tax (and *zakat*) returns
- Translate returns and supporting schedules into Arabic (as required)
- Compare information on schedules with financial statements
- Submit returns online on clients' behalf

Withholding tax returns

- Assist with preparing and reviewing WHT returns (based on information provided on payments to non-resident parties)
- Translate returns (as required)
- Submit returns online on clients' behalf

Related-party reporting

- Support completion of controlled transaction disclosure (CTD) forms

Translations

- Translate books and records (as required)

Transfer pricing

Advise on compliance with transfer pricing regulations including:

- Master files
- Local files
- Country-by-country (CbC) reporting

Filing of VAT returns

- Review invoices
- Prepare and/or review VAT returns
- Assist with online filing of VAT returns

Certification

- Assist with obtaining tax and *zakat* certificates
- Assist with obtaining tax residence certificates

Advance tax payments

- Advise on advance tax payment requirements
- Review advance tax computations
- Prepare, translate (if required) and submit letters to tax authorities on clients' behalf

Contract information forms

- Advise on categories of contracts to be included
- Review prepared contract informations forms (CIFs) for adequacy
- Translate forms (as required)
- Submit forms on clients' behalf

Economic substance

- Assess economic substance (ES) obligations and support regulation and filings for businesses providing a "relevant activity"

Our tax subject matter experts

Naveed Jeddy
Senior Director | Tax Leader naveed.jeddy@keypoint.com

Naveed is a chartered accountant with over 40 years of tax consulting and compliance experience. Having been the regional tax manager for a global oilfield services company, dealing with over 40 tax regimes across the Middle East, Africa and Europe for most of a decade, he joined a leading 'Big 4' professional services firm in Saudi Arabia where he worked his way up to senior tax partner - including head of tax & *zakat* services for almost 20 years. Naveed has deep tax credentials and experience across a range of sectors and a variety of businesses. While working in Saudi Arabia, he was engaged on a variety of special tax projects. As tax leader at Keypoint, he leads direct and indirect tax teams with broad expertise across sectors and across borders.

Adil Fawzi
Senior Manager adil.fawzi@keypoint.com

A member of the Institute of Chartered Accountants of Sri Lanka (ACA) and the Institute of Certified Management Accountants of Sri Lanka (CMA), Adil has developed deep expertise across accounting, external and internal auditing, special assignments and taxation over the last 15 years, servicing clients across significant economic sectors as a key leader of tax and audit teams in Sri Lanka and Saudi Arabia. Based out of Saudi Arabia since 2012, Adil has seen significant change across the kingdom's accounting, book-keeping and taxation ecosystems and uses that experience to craft practical, value-adding solutions for clients, including enhancing reconciliations between books of accounts and corporate tax, zakat, VAT and WHT returns.

Dinesh Ravi
Senior Manager dinesh.ravi@keypoint.com

Having been based in Saudi Arabia for over a decade, Dinesh has developed into a tax and *zakat* technical expert who adds value by advising clients on a range of tax compliance and advisory issues. Currently supporting clients and colleagues from our Bahrain offices, he uses his deep understanding of Saudi Arabia's more mature tax ecosystem to advise key decision-makers in Bahrain on emerging tax issues, particularly around corporate income tax, withholding taxes, double tax treaties, tax due diligence and other international taxation matters.

Having developed significant 'Big 4' experience working with professional services firms in Saudi Arabia and India, Dinesh has an MBA (specialised in finance and accounting) from SRM University (India) and a BBA (finance and accounting) from the University of Madras (India).

Abhinaya Thirumalai
Senior Manager abhinaya.thirumalai@keypoint.com

As a qualified chartered accountant with an advanced taxation qualification (ADIT (UK)) and significant 'Big 4' VAT experience, Abhinaya offers clients across Saudi Arabia and Bahrain a unique, value-focused perspective. She combines her tax knowledge, her accounting background and her commercial knowledge to identify issues and develop innovative solutions to a range of business issues for leading financial institutions, oil & gas businesses, manufacturing companies and public sector organisations. As well as managing our VAT practice in Bahrain, Abhinaya leads our economic substance function, advising businesses - including head offices, holding companies and listed businesses - on how to get (and remain) compliant with increasingly complicated tax legislation.

Ali Alomran
Assistant Manager ali.alomran@keypoint.com

A bi-lingual Saudi national, Ali interacts regularly with the *Zakat*, Tax and Customs Authority (ZATCA), Saudi Arabia's tax authority, and has worked on a variety of matters related to the General Secretariat of *Zakat*, Tax and Customs Committees (GSTC), building relationships and specialised expertise. He is widely recognised as a trusted advisor on ZATCA audits, assessments and appeals.

As part of his role, Ali prepares and reviews tax returns and helps prepare, review and file objections against final assessments. He has managed refund applications for all types of Saudi tax – including *zakat*, corporate tax, withholding tax (WHT) and VAT.

Educated in the USA, Ali has a BBA from Tiffin University and a green belt in lean and six sigma.

Hafiz Asim
Assistant Manager hafiz.muhammad@keypoint.com

Having focused on a variety of tax issues specific to Saudi Arabia (where he has been based since 2018), Hafiz has developed significant expertise while working with both "Big 4" and local professional services firms and in industry (where he gained financial services and education experience). He also supports our transfer pricing practice, helping key decision-makers understand the impact of Saudi Arabia's increasingly complicated tax landscape on business decisions. Recognised for building and maintaining strong client relationships with clients by focusing on their needs, Hafiz provides tailored, practical solutions to a range of business issues. A holder of the Association of Chartered Certified Accountants' (ACCA's) advanced diploma in accounting and business, he graduated from Karachi University (Pakistan) with a bachelor's degree in commerce.

Salman Yousaf
Assistant Manager salman.yousaf@keypoint.com

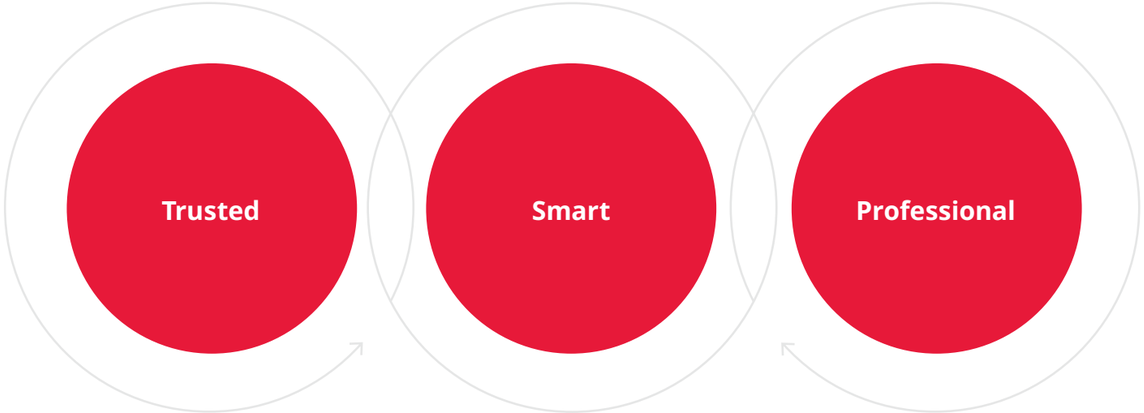
Salman has focused on direct and indirect taxation for approximately a decade, developing tax knowledge and expertise across many prominent economic sectors, including telecoms, technology, oil & gas, power & utilities, financial services, retail and manufacturing. As a senior member of our specialist tax team in Saudi Arabia, he has developed strong relationships with key decision makers in both the private and public sectors and is an active and effective business developer. Salman uses his understanding of tax developments and leading practice in the Saudi market to develop (and support the implementation of) practical solutions to increasingly complicated business issues. With a 'Big 4' professional services background, he is a member of the Institute of Chartered Accountants of Pakistan (ICAP).

Ayesha Karamat
Assistant Manager ayesha.karamat@keypoint.com

Ayesha has specialised in VAT since 2018, developing expertise in an in-house VAT role with a leading healthcare business before joining Keypoint, where she advises clients - particularly from the healthcare, financial services, transportation and retail sectors - on various aspects of VAT, helping clients minimise VAT risks and get (and remain) compliant with an increasingly complicated VAT ecosystem. Having advised clients in Saudi Arabia on how to comply with both the generation and integration phases of e-invoicing, she is now supporting clients in Bahrain with domestic minimum top-up tax (DMTT) requirements. Ayesha recently passed the transfer pricing module of the Chartered Institute of Taxation's (CIOT's (UK)) advanced diploma in international taxation (ADIT).

About the Keypoint group

Founded by Wajdi Al Jallad (who remains the group's managing director) in 2006, Keypoint are trusted business advisors, allowing clients to focus on their core competencies. Across the Keypoint group of companies, our team of approximately 150 experienced professionals – who have degrees in the fields of law, information technology, banking & finance, accounting, economics, management, HR and business administration - include members of the Institute of Chartered Accountants, the Institute of Chartered Financial Analysts, the Institute of Internal Auditors, the Association of Chartered Certified Accountants, the Institute of Management Accountants, the Chartered Institute of Personnel and Development, the Chartered Institute of Taxation and the Institute of Certified Fraud Examiners. Our culture - drawing on our deep knowledge and experience which empowers us to provide creative, efficient solutions to complex business challenges - reflects our business values:



Reliability, integrity and confidentiality are cornerstones of our business philosophy. Your reputation is our reputation - we take great pride in both.

- We focus on quality.
- We get the job done.
- We communicate effectively.

We love challenges. Working together as a team, we offer fresh perspectives to help our clients stay one step ahead.

- We solve problems.
- We innovate.
- We are responsive.

Knowledge informs, experience guides and creativity helps see around obstacles. We support our clients throughout every stage of their business journey.

- We share our knowledge.
- We apply our experience.
- We value creativity.

We offer our clients the highest level of quality and professionalism. Our comprehensive range of tailored professional business solutions supports commercial success and aligns operations with international leading practice and local regulatory requirements.

Appropriately qualified and experienced consultants are carefully matched to clients and specific business needs. Our team will be with you throughout your evolving business journey, fully supported by professionals who specialise in regional business, multi-lingual settings and local regulatory environments. Our work products are quality assured through a review process involving supervisors, managers and directors.

The Keypoint group has offices in the Kingdom of Bahrain, the Kingdom of Saudi Arabia and the Hashemite Kingdom of Jordan, offering solutions according to market demand. Alnuqtah Alraisiyyah Accounting Consulting Company (a non-partner member firm of the Keypoint group) offers tax (and other) solutions to businesses across Saudi Arabia.

Management

Wajdi Al Jallad
Managing Director | Keypoint group wajdi.aljallad@keypoint.com

Under Wajdi's direction, Keypoint provides a wide range of professional business advisory services to clients across MENA. Wajdi is extensively involved in all of Keypoint's services and is responsible for setting up and implementing Keypoint's strategies and operations and for assuring the quality of its services.

Ali Almohammedali ali.almohammedali@keypoint.com
Managing Director | Alnuqtah Alraisiyyah for Accounting Consulting Co.

Ali is a certified public accountant (CPA (US)) and SOCPA license holder (Saudi Arabia). With significant experience across audit and business advisory, Ali has worked as the finance director of leading multinational companies and family groups, as well as with a 'Big 4' firm in Saudi Arabia.

Note: Responding to market demand and different regulatory and legal environments, offices in different jurisdictions may offer different business solutions.

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