



# Indirect Tax Update

## Bahrain to Implement the Value Added Tax (“VAT”) on 1 January 2019

October 2018

Dear valued clients,

The Parliamentary Finance and Economic Committee has approved the decree law on the Value Added Tax (“VAT”) after a closed-door meeting with the parliament chairman Ahmed Al Mulla.

The executive regulations shall be issued 15 days after its adoption and shall come into force on the first day of January 2019. The provisions of this Law shall be deemed to be binding.

The decree comes in light of the Kingdom of Bahrain's commitment to the Unified Agreement for Value Added Tax (VAT).

Additionally, The Shura Council will hold an irregular extraordinary session tomorrow 8th October 2018 to discuss the decrees, including the value added tax law.

Based on this announcement, our team of tax experts are ready to assist you to gear up for the introduction of VAT in Bahrain.

For more information, please **contact us** or your respective tax manager.

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