

Indirect Tax Update

The Shura Council Approved the Value Added Tax (“VAT”) – Implementation on 1 January 2019

08 October 2018

Dear valued clients,

The Shura Council held an extraordinary session today to discuss the laws decrees including the Value Added Tax (“VAT”) and has approved the aforementioned decree laws.

Members of the Shura Council have voted in favor of the VAT bill to be introduced on 1 January 2019 in line with GCC Unified Agreement for Value Added Tax (VAT).

Additionally, a draft list of 94 items to be excluded from VAT is expected to be announced by the Finance Minister, was circulated between members of parliament in yesterday parliament session.

The VAT executive regulation 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 binding.

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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