



# Updates on Country-by-Country Reporting requirements in Qatar

Tax Alert | 30 September 2019

The Ministry of Finance recently issued Ministerial Decision no. 16 of 2019 regarding Country by Country (“CbC”) Reporting requirements in Qatar. This decision replaces the Ministerial Decision no. 21 of 2018 and therefore the provisions of the later shall be canceled.

We have prepared this Tax Alert based on the new decision.

## **CbC Reporting requirements**

Entities which meet all the following conditions are required to file their CbC Notification and CbC Report in Qatar -

- Entities resident in Qatar for tax purposes;
- Ultimate Parent Entities of multinational enterprise (“MNE”) group; and
- The total revenue of the MNE group is at least QAR 3 billion (approx. EUR 700 million or USD 824 million) in the preceding financial year based on consolidated financial statements of that preceding year.

## **Reporting period and due date**

Only Ultimate Parent Entities which are tax resident in Qatar are required to file CbC Notification and CbC Report.

The CbC Notification should be submitted to the General Tax Authority (“GTA”) within the reporting financial period of the MNE group and the CbC Report should be submitted to the GTA within 12 months from the last day of the reporting financial period of the MNE group.

From the foregoing, CbC Notifications for the financial years ending 31 December 2018 and 31 December 2019 are due by 31 December 2019.

CbC Report for the financial year ending 31 December 2018 is due for submission to the GTA by 31 December 2019.

## **CbC Notification**

The CbC Notification must be in the format prescribed in Circular no. 6 of 2018.

## **CbC Report**

- CbC Report should include the information described in the CbC Report model in the OECD’s Action 13 Final Report

- The CbC Report should be submitted using the XML schema format as per the guidance provided by the OECD
- The GTA will issue an announcement that will include the electronic link for the submission of the report

### **Penalties for non-compliance**

The penalties for non-compliance with CbC Reporting obligations is follows:

- QAR 100 penalty per day in case of failure to submit CbC Notification on time or submission of false or incomplete information
- QAR 500 penalty per day in case of failure to submit the CbC Report on time or submission of false or incomplete information in the report.

### **How can we help you?**

While, the Qatar based MNE Groups can now file their CbC Reports in Qatar, it is important to be vigilant about their overall obligations globally.

As of September 2019, Qatar has currently signed Multilateral Competent Authority Agreement (MCAA) for automatic exchange of information with 56 countries. Accordingly, an MNE Group with operations in a country, (other than the countries with existing MCAA) will have to ensure that meet their reporting obligation in the said country.

We highly recommend you to perform a full structure review to ensure compliance with the CbC Reporting in Qatar as well as in other countries.

We at KPMG in Qatar can assist in -

- Preparation and submission of CbC Notification
- Preparation and submission of CbC Report
- Conversion of CbC Report to XML Schema format
- Review of CbC Report to ensure completeness and accuracy in compliance with the OECD and Qatar requirements
- Review and evaluation of the data gathered by the Group to check compliance with the OECD and Qatar requirements

We welcome the opportunity to discuss your CbC Reporting obligations in Qatar.

Yours truly,



**Barbara Henzen**

Partner – Tax & Corporate Services  
KPMG in Qatar

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