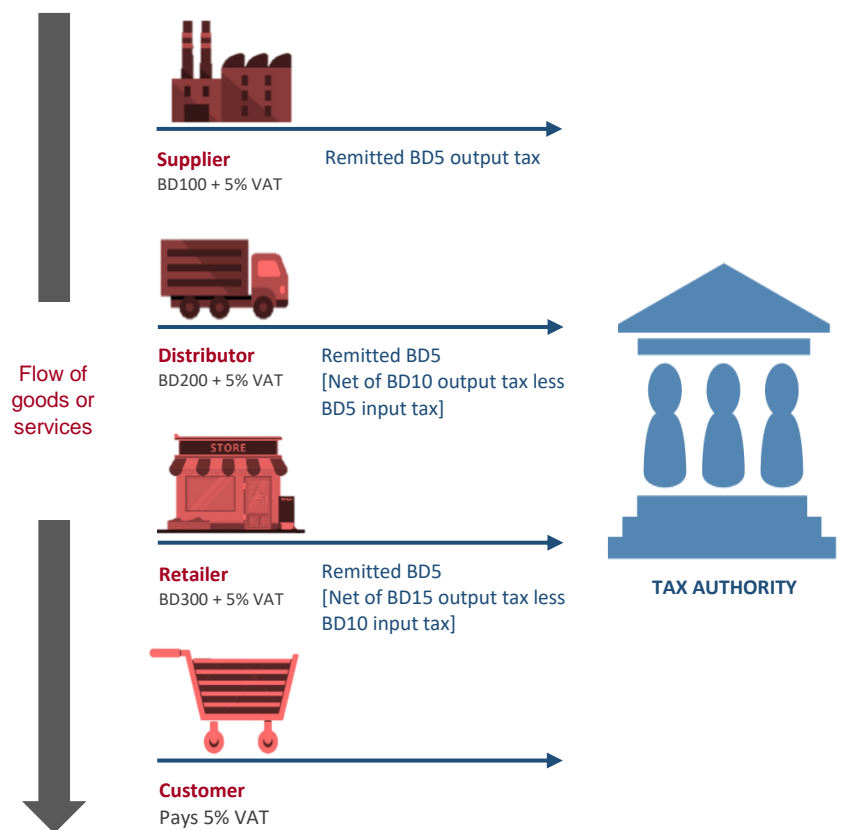


Are you VAT ready?

How will VAT work?

A 5% initial VAT rate will be set, unless your goods or services is zero rated or VAT exempt.

VAT will be calculated based on the consumption of goods and services. Businesses can claim credit for VAT paid on their business-related expenditures, as illustrated on the chart below.



Key questions

Q: What is VAT?

A: VAT means Value Added Tax. An indirect tax charged on a supply of goods and services at any point in the supply chain and is payable by anyone consuming the goods or services being supplied. The tax is payable to the Government.

Q: What needs to be done as a business owner?

A: Three things have to be done as follows:

1. Register for VAT;
2. Submit returns periodically to the Tax Authorities; and
3. Pay the tax amount due on or before due date.

Q: What will happen if not VAT compliant?

A: Some of the consequences will be:

1. Failure to register attracts a fine of up to BD10,000.
2. Failure to submit required information to the Tax Authorities attracts a fine of up to BD5,000.

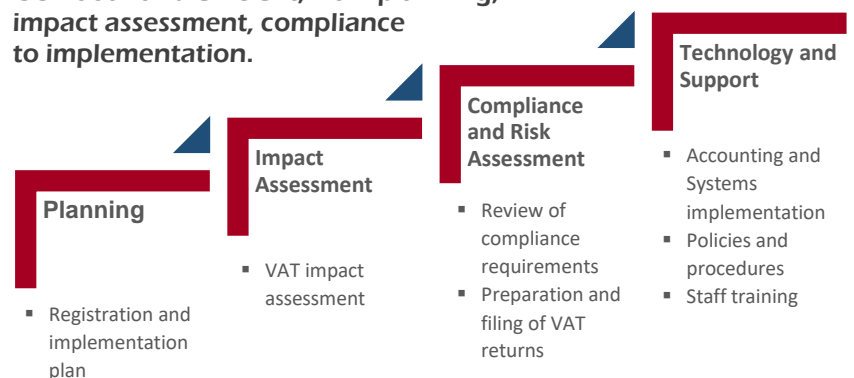
Q: What is the possible impact on my business?

A: The impact of VAT varies from one company to another depending on the nature of business and the complexity of operations and the accounting system in place. Some of the common effects are:

1. **Cashflow** – claimable input tax may take time to receive from Government.
2. **Tax accounting** – additional administrative budget to account for the VAT.
3. **Financial reporting** – more transparency will be required in reporting.
4. **Compliance process** – preparation and filing of VAT returns.

How Elyaa can help?

Elyaa has built a team of tax professionals ready to help your Company to ensure that your transition to VAT is smooth and efficient, from planning, impact assessment, compliance to implementation.





Who we are

HLB is a global network of independent advisory and accounting firm. We have a history of innovation, collaboration and are dedicated to helping our clients grow across borders. Through the power of 25,000 professionals across 150 countries, we combine local expertise and global capabilities to service your needs.

150 countries local expertise
global growth

Our members are locally established with deep roots in their local communities yet are closely connected with professionals from across the world. We support our clients as they grow nationally, regionally and globally, ensuring a consistent high-quality client experience and personalised service wherever you operate.

How we work together

Regardless of what sector you operate in, business is about people. Building a trusted relationship with you wherever you take your business is highly important to us. To best service our international clients, we take the time to get to know you and understand your specific needs.

700 office personalized
network

Elyaa Audit and Consulting will be your trusted localized HLB advisor, especially set-up to cover the jurisdictions of your interest. Elyaa will serve as your local business guides to help navigate through the new business environment and help you comply with local regulation. Your international HLB advisor will be kept in the loop of your foreign projects – functioning as an additional safety to avoid misunderstandings and to enhance the building-up of a sturdy client service relationship.

Our services

Helping businesses grow through innovative thinking and a collaborative approach.

12 global ranking quality
trust

Audit & Assurance

- Global Accounting & Compliance Services
- Risk Assurance Services

Advisory

- Global China Services
- IPO Services
- Technology Advisory Services
- Transaction Advisory Services

Tax

- Expatriate Tax Services
- Indirect Tax Services
- Tax Compliance for Online Sellers
- Transfer Pricing

At HLB, we work closely with our colleagues in the countries you're expanding into and guarantee a seamless HLB client experience and soft landing in new territory.

25,000 staff



**Together
we make it
happen**