



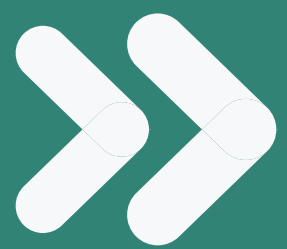
Initiatives from General Authority of Zakat and Tax
**To stimulate the economy and
support the private sector**
Initiatives Extension



Overview of the initiatives



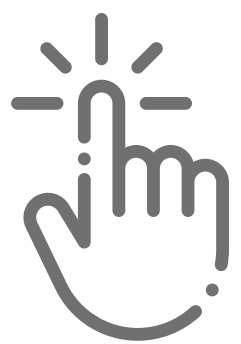
Amnesty - Exemption from penalties for registered taxpayers



Amnesty - Exemption from penalties for unregistered taxpayers



Details of the penalties waived under the GAZT initiatives



Please click on the relevant icon to quickly jump to details.



Registered Taxpayers will be exempted from:



Late Payment
Penalty



Late Filing
Penalty



Penalty for amendment
of declaration

- In case of voluntary disclosure by amending declarations submitted
- The taxpayer should file all unsubmitted declarations with due dates falling before 18 March 2020
- The tax due should be paid or an installment plan request should be submitted by 31 December 2020

(Extended until 31 December 2020)

Unregistered taxpayers will be exempted from:



Penalty for failure
to register



Late Payment
Penalty



Late Filing
Penalty

- The taxpayer should register with GAZT, and file all due returns outstanding as on the date of registration.
- The tax due should be paid or an installment plan request should be submitted by 31 December 2020

(Extended until 31 December 2020)



Amnesty - Exemption from penalties for registered taxpayers



Registered taxpayers will be exempted from penalties due on:

➤ **Voluntarily disclosing all the tax due by amending previously submitted tax declarations**

➤ **Submitting any outstanding declarations due before 18 March 2020**

Benefits of the Amnesty

Penalties for the declarations submitted or amended during Amnesty period will be waived, such as:



Declaration
Amendment
Penalty



Late Payment
Penalty



Late Filing
Penalty



Amnesty - Exemption from penalties for registered taxpayers



In order to seek waiver of penalties, taxpayers have to submit non-submitted declarations and / or amend previously submitted returns, and pay all tax dues or submit an installment plan request before:

31 December 2020

In order to seek waiver of penalties from the due date on submitted or amended declarations

The amnesty covers all types of taxes

CIT (including Withholding Tax), VAT, and Excise tax

Amnesty Period

From 18 March 2020 to 31 December 2020



Amnesty - Exemption from penalties for registered taxpayers



An illustration for waiving following penalties:



Late Payment Penalty



Late Filing Penalty

For registered taxpayers

A taxpayer (Company X) registered for CIT and VAT since 2018 has failed to submit four VAT declarations and two CIT declarations

This company could benefit from this Amnesty by:



Paying all the taxes due or submitting an installment plan request by 31 December 2020



Submitting all non-submitted declarations by 31 December 2020

This company can benefit from the waiver of the following penalties:



Late Filing Penalty

For VAT:

From 5% up to 25% of tax due of each declaration

For CIT:

Maximum SAR 20,000 for each return



Late Payment Penalty

For VAT:

5% of each month of delay or part thereof starting from the original tax due date.

For CIT:

1% for every 30 days



For more information about waived penalties, values or rates please click here



Amnesty - Exemption from penalties for registered taxpayers



An illustration for waiving following penalties:



Late Payment Penalty



Return Amendment Penalty

For registered taxpayers

A company submits its VAT returns regularly on time
After year end review it is discovered that **4 invoices** with a VAT due amounting to **SAR 40,000** has been excluded from **May 2019** declaration

This company could benefit **from this Amnesty by:**



Amending May 2019 VAT declaration to include the omitted VAT due on or before 31 December 2020



Paying the tax due based on amended declaration or submitting an installment plan request on or before 31 December 2020

This company can benefit from **the waiver of the following penalties:**



Return Amendment Penalty

Up to 50% of tax difference



Late Payment Penalty

5% on each month of delay or part thereof starting from the original tax due date



For more information about waived penalties, values or rates please click here



Amnesty - Exemption from penalties for registered taxpayers



An illustration for waiving following penalties:



Late Payment Penalty

For registered taxpayers

A taxpayer registered as importer in Excise Tax

The taxpayer has imported goods subject to **Excise Tax** and declared a specific retail sales price, later the taxpayer discovered that the declared retail sales price is **less than the actual retail sales price**.

This taxpayer could benefit **from this Amnesty by:**



Voluntarily disclosing the Excise Tax due by submitting an excise tax transitional return to include all underpaid Excise tax by 31 December 2020

This taxpayer can benefit from **the waiver of the following penalties:**



Late Payment Penalty

5% on each month of delay or part thereof starting from the original tax due date.



For more information about waived penalties, values or rates please click here



Amnesty - Exemption from penalties for registered taxpayers



An illustration for waiving following penalties:



Late Payment Penalty



Late Filing Penalty

For registered taxpayers

A company or an entity received services subject to withholding tax from non-resident in 2018

based on the law such services should be subject to withholding tax and the company has to submit **withholding tax** form, but the company failed to submit any withholding tax form till date

This company could benefit **from this Amnesty by:**



Paying applicable withholding tax due or submitting a request for an installment plan on or before 31 December 2020



Submitting all non-submitted forms on or before 31 December 2020

This company can benefit from **the waiver of the following penalties:**



Late Payment Penalty

1% every 30 days



For more information about waived penalties, values or rates please click here



Amnesty - Exemption from penalties for unregistered taxpayers



Through the Amnesty scheme, GAZT is providing an opportunity for the **unregistered taxpayers** who are liable to register:



To register



To submit all the declarations due and pay the tax due

Benefits of the Amnesty

Waiving of penalties, such as:



Penalty for failure to register



Late Payment Penalty



Late Filing Penalty



Amnesty - Exemption from penalties for unregistered taxpayers



To benefit from the **Amnesty scheme**, taxpayers must register within the amnesty period, and submit all due declarations and pay the tax due or request an installment plan by:

Until **31 December 2020**

To seek waiver of all penalties due from the original due date.

The amnesty covers all types of taxes

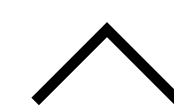
CIT (including Withholding Tax), VAT, and Excise tax

Amnesty Period

From 18 March 2020 to 31 December 2020

The Amnesty includes all taxpayers such as:

individuals, Companies, government entities, or any other persons until 31 December 2020



Amnesty - Exemption from penalties for unregistered taxpayers



An illustration for waiving:



Late Registration Penalty



Late Payment Penalty



Late Filing Penalty

For unregistered taxpayers

Company X should have been registered for VAT from **1 January 2019** but failed to register

This company could benefit **from this Amnesty by:**



Registering for VAT before 31 December 2020



Paying all the VAT due on submitted declarations or submit an installment plan request before 31 December 2020



Submitting all the declarations due starting from 1 January 2019 till the actual registration date by 31 December 2020

This company can benefit from **the waiver of the following penalties:**



Late Registration Penalty

SAR 10,000



Late Filing Penalty

From 5% up to 25% of tax due



Late Payment Penalty

5% on each month of delay or part thereof starting from the original tax due date



For more information about waived penalties, values or rates please click here



Amnesty - Exemption from penalties for unregistered taxpayers



An illustration for waiving:



Late Registration Penalty



Late Payment Penalty



Late Filing Penalty

For unregistered taxpayers

An individual has conducted real estate sales transactions which are subject to VAT on 1 January 2019 and did not register until the announcement of the amnesty

This individual could benefit **from this Amnesty by:**



Registering for VAT before 31 December 2020



Submitting all the declarations due starting from 1 January 2019 till the actual registration date by 31 December 2020



Paying all VAT due on submitted declarations, or submit an installment plan request before 31 December 2020

This individual can benefit from **the waiver of the following penalties:**



Late Registration Penalty

SAR 10,000



Late Filing Penalty

From 5% up to 25% of tax due



Late Payment Penalty

5% on each month of delay or part thereof starting from the original tax due date



For more information about waived penalties, values or rates please click here



Amnesty - Exemption from penalties for unregistered taxpayers



An illustration for waiving:



Late Registration Penalty



Late Payment Penalty



Late Filing Penalty

For unregistered taxpayers

A non-resident company provided services to end customers in Kingdom and was supposed to register for **VAT** before **1 January 2018** but failed to register

This company could benefit **from this Amnesty by:**



Registering for VAT before 31 December 2020



Submitting all declarations due starting from 1 January 2018 till the actual registration date by 31 December 2020



Paying all VAT due on submitted declarations, or submit an installment plan request before 31 December 2020

This company can benefit from **the waiver of the following penalties:**



Late Registration Penalty

SAR 10,000



Late Filing Penalty

From 5% up to 25% of tax due



Late Payment Penalty

5% on each month of delay or part thereof starting from the original tax due date



For more information about waived penalties, values or rates please click here



Details of Penalties



The below are the penalties that will be waived during the Amnesty period

From **18 March 2020** to **31 December 2020**

VAT Penalties

SAR
10,000



Failure to Register
SAR 10,000 penalty

Up to 50%
of the tax difference



Submitting incorrect declaration
A penalty equal to 50% of the tax difference

From 5-25%
from the tax due



Late Filing Penalty
From 5% up to 25% of tax due

5%
of unpaid tax due



Late Payment Penalty
5% on unpaid tax due on each month of delay or part thereof

Excise Tax Penalties

From 5-25%
from the tax due



Late Filing Penalty
From 5% up to 25% of tax due

5%
of unpaid tax due



Late Payment Penalty
5% on unpaid tax due on each month of delay or partial month



Details of Penalties



The below are the penalties that will be waived during the Amnesty period

From **18 March 2020** to **31 December 2020**

CIT Penalties

Up to SAR
10,000



Non-registration Penalty

A penalty not less SAR 1,000 and not exceeding SAR 10,000

1%
for each 30 days



Late Payment Penalty

1% every 30 days of unpaid tax due

CIT Late Filing Penalty

1%



from revenues with a maximum of SAR 20,000

5%



of unpaid tax due if the delay does not exceeds 30 days

10%



of unpaid tax due if the delay more than 30 days but not exceeding 90 days

20%



of unpaid tax due if the delay more than 90 days but not exceeding 365 days

25%



of unpaid tax due if the delay more than 365 days



الهيئة العامة للزكاة والدخل
General Authority of Zakat & Tax



Click here to view
the **FAQs**

