



# It's Official !!

VAT is now approved by Bahrain's Parliament and is expected to be introduced in Bahrain on 1st January 2019

If your annual business turnover is BD 37,500 then, you **MUST** do these 6 things **NOW!**

1. Get registered for VAT **IMMEDIATELY!**
2. Ensure your billing and accounting systems are configured for VAT
3. Urgently change your invoices to ensure they are VAT Compliant
4. It's critical that you update your customer contracts with a VAT clause
5. Proactively notify your customers of the changes
6. Prepare to start charging VAT from 1<sup>st</sup> January 2019

## BE AWARE!

Businesses in Saudi Arabia and UAE have been hit with financial penalties which can be as high as 300%. These companies made a crucial error by doing the VAT Implementation themselves without the help of an external and independent VAT specialist.

### Top 6 VAT errors businesses make in KSA & UAE

1. Performing VAT Implementation without the advice of a VAT Specialist
2. Charging VAT when they should not
3. Not charging VAT when they should
4. Issue invoices that are not VAT compliant
5. Registering for VAT late
6. Submitting incorrect VAT returns

Your business can help avoid these errors and the resulting financial penalties by engaging with BDO's professional and experienced VAT team who are all resident in Bahrain and has a wealth of knowledge in assisting businesses for over 20 years.

## SECTOR :

Corporate & Indirect Tax

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## **BDO Bahrain can help you avoid these errors by:**

- Assisting with VAT registration with the Ministry of Finance to obtain your unique Tax ID number
- Assisting in the preparation of VAT returns
- Providing VAT training to key staff members
- Identifying areas of adverse cash-flow impact and plan accordingly
- Assessing the VAT capability of existing IT systems
- Reviewing VAT documents for compliance
- Providing ongoing advice and support

We believe our local Indirect Tax Team has the right blend of experience and professionalism to discuss and help bring clarity to the specific challenges that your businesses will face in the preparation for VAT.

Please contact our indirect tax executives now in order to minimize the financial risks of non-compliance and the imposition of possible financial penalties.

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