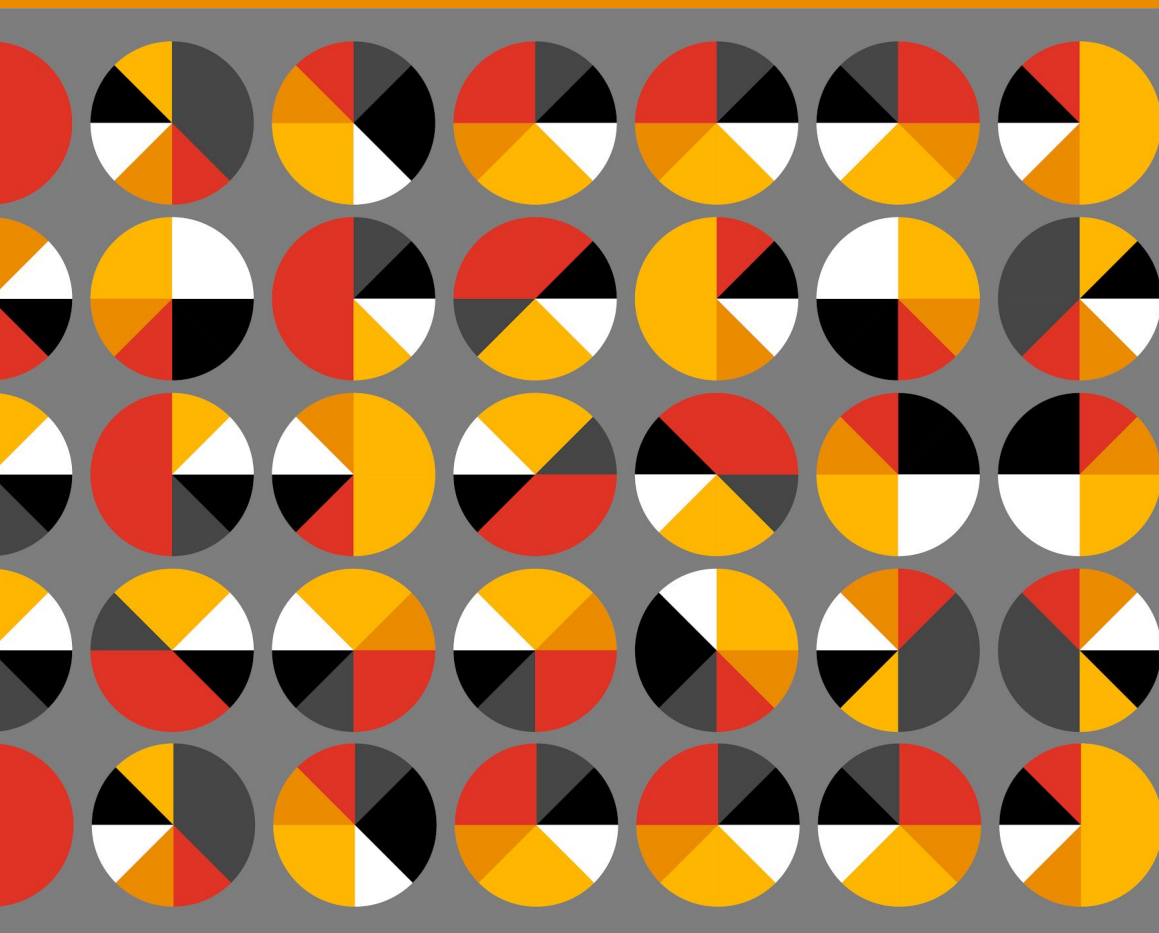


Oman: Tax Card provisions made effective from 1 July 2020

June 2020



In brief

The Tax Authority in Oman has issued a Ministerial Decision (MD 27/2020) implementing the provisions of Tax Cards effective from 1 July 2020. Tax Cards will be issued for a fee of OMR 10 and is required to be quoted by the taxpayers in all correspondence with the Tax Authority, Invoices and contracts.

In detail

The amendments to the Income Tax Law (promulgated vide Royal Decree 9/2017), first introduced the concept of the Tax Card in Oman, which required it to be mentioned on all correspondences, invoices and contracts entered into by the taxpayers. Furthermore, the amendments to the Executive Regulations of the Income Tax Law through Ministerial Decision No. 14/2019 provided further details with regard to the Tax Card, such as an Income Tax Form for applying the Tax Card, details to be included in the Tax Card, validity period, renewal procedure and surrender of the Tax Card.

However, neither the above-mentioned Royal Decree nor the Ministerial Decision specified any effective date of implementation of the Tax Card. The Head of Tax Authority in Oman has now issued a Ministerial Decision (MD 27/2020) which was published in the Official Gazette on 7 June 2020, making the provisions of Tax Cards effective from 1 July 2020. Further, a nominal fee of OMR 10 has been prescribed for obtaining the Tax Card.

It has not been specified which existing taxpayers are required to apply for the Tax Card, but we expect Oman Tax Authorities to start accepting applications from 1 July 2020. New taxpayers are required to apply for the Tax Card at the time of tax registration. Amongst other things, the Tax Card is expected to have the following details:

- Reference number
- Tax Identification Number
- Company name (both in Arabic and English)
- Date of expiry

The Tax Card will be valid for two years and taxpayers are required to apply for renewal on expiry.

We understand that the tax card can be obtained from the Tax Authority e-portal from 1 July 2020, upon online payment of the prescribed fees.

The takeaway

Taxpayers should apply for tax cards starting from 1 July 2020. By virtue of applying for Tax Card, taxpayers can maintain its compliance with local tax laws and avoid any penalties. We will pleased to assist all taxpayers in obtaining the Tax Card.

www.pwc.com/me

Let's talk

For a deeper discussion of how this issue might affect your business, please contact:

Omar Al Sharif,
Country Senior Partner
T: +968 2455 9118
Omar.al-sharif@pwc.com

Darcy White,
Tax and Legal Services Partner
T: +968 2455 8154
Darcy.white@pwc.com

Imran Mushtaq,
Indirect Tax Director
T: +968 2455 9208
Imran.x.Mushtaq@pwc.com

Gaurav Kapoor,
Tax Director
T: +968 2455 9180
Gaurav.x.Kapoor@pwc.com

©2020 PwC. All rights reserved. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details. This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.