Qatar signs Double Tax Treaties with KSA and UAE

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"Businesses with investments, in the process of investing or that are planning to invest in the (near) future from Qatar into KSA/UAE or vice versa should review their operating structures in light of the signed double tax treaties, assess the impact on their (intended) activities, and determine how they can make best use of the tax benefits provided by these treaties."

On May 30, 2024, the State of Qatar and the Kingdom of Saudi Arabia (KSA) signed a double tax treaty agreement. On the same day, Qatar also signed a similar agreement with the United Arab Emirates (UAE), marking a significant milestone in regional cooperation and economic integration. Signing these agreements signal a significant step towards a more harmonious fiscal environment within the Gulf Cooperation Council (GCC) region. The treaties will enter into force after the exchange of the ratification instruments.

Key highlights of the treaties include:

- <u>Double Taxation Relief:</u> Individuals and businesses operating in Qatar, Saudi Arabia, or the UAE will benefit from provisions aimed at avoiding double taxation on income earned across borders. This will promote investment and economic activity by providing certainty and clarity on tax liabilities.
- Exchange of Information: The treaty facilitates the exchange of tax-related information between Qatar, KSA, and the UAE, enhancing transparency and compliance with tax regulations. This measure bolsters efforts to combat tax evasion and ensures a level playing field for businesses operating in the region.
- <u>Dispute Resolution Mechanisms:</u> Mechanisms for resolving tax disputes between the contracting parties are established, offering a framework for timely and efficient resolution of any disagreements that may arise. This provision contributes to a more stable and predictable tax environment for taxpayers and investors.
- <u>Promotion of Investment:</u> By reducing tax barriers and providing greater certainty regarding tax liabilities, the treaty promotes cross-border investment flows between Qatar, Saudi Arabia, and the UAE. This fosters economic growth, job creation, and prosperity across the region.

For a deeper discussion you can reach out directly to the team

Sajid Khan	Upuli Kasthuriarachchi	Tatiana Shuldyk
Qatar Tax Leader	Tax Partner	Tax Director
+974 6626 2347	+974 3374 4638	+974 5547 5784
sajid.khan@pwc.com	upuli.x.kasthuriarachchi@pwc.com	tatiana.s.shuldyk@pwc.com