

# Saudi Arabia: Tax amnesty extension until 31 December 2024

July 2024





## In brief

With reference to the Ministerial Resolution number 1352 dated 1445-11-28 corresponding to 05 June 2024, the Zakat, Tax and Customs Authority (ZATCA) has extended the fines and financial penalties waiver initiative and made this available for taxpayers who wish to submit a voluntary disclosure through their returns and pay the taxes due.

The extension, published in the official Gazette on 30 June 2024 can be accessed [here](#).

The types of taxes included in this initiative are Excise Tax, Value Added Tax, Real Estate Transaction Tax, Withholding Tax and Corporate Income tax.

The initiative has been extended for an additional 6 months period, starting from 1 July 2024 until 31 December 2024. This is an extension of the tax amnesty introduced on 1 June 2022 and covers tax obligations required to be fulfilled before the effective date of the initiative's extension.

## In detail

The recent measure is a continuation of the incentives introduced by the Government of KSA for mitigating the financial impact of the COVID-19 pandemic on taxpayers. Through this initiative, ZATCA also aims to enhance awareness amongst taxpayers on the significance of fulfilling compliance obligations.

ZATCA confirmed that the fines included under this initiative are the following:

- Late registration
- Late payment
- Late filing
- Amendment/ corrections of the VAT declarations
- Other financial fines imposed under Article 45 of the VAT Law e.g., violations of the VAT field detection and E-invoicing.

In order to benefit from the initiative, the taxpayer must:

- Apply for registration (where required) and discharge their prescribed obligations as per the respective tax legislation
- Submit the outstanding tax returns
- Pay all outstanding tax dues or submit a request for an installment plan, which needs to be approved by ZATCA.

It is important to note that the initiative does not cover penalties for tax evasion violations paid before the effective date.

A simplified guide has also been issued by ZATCA explaining the types of fines/penalties that will be covered with illustrative examples and can be accessed through the following links:

- [Arabic version](#)
- [English version](#)



The extension of the tax amnesty provides another opportunity for taxpayers to enjoy a penalty free discharge of the tax obligations and also a penalty free rectification of the historical tax positions to ensure compliance with the KSA tax legislations.



# The takeaway

Taxpayers are recommended to avail benefit of this extension initiative and assess their status of compliance with relevant tax legislations, correct their historical tax position (where required) and discharge the prescribed tax obligations within the amnesty period.

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## Let's talk

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