

GCC Tax Update VAT Refund claim in the UAE and KSA for foreign businesses

June 7, 2021



Foreign businesses which do not have a local VAT registration but incur local VAT in the UAE or KSA may request the tax authorities for a VAT refund claim. Below we outline the conditions and timelines for submitting the VAT refund claim in the UAE and KSA.

United Arab Emirates (UAE)

- No establishment in the UAE.
- Not carrying on business in the UAE.
- Not a taxable person in the UAE.
- Registered as business in its jurisdiction.

Online process using FTA portal covering a refund period of 12 calendar months and minimum VAT refund claim of AED 2,000.

On or before August 31 after end of the calendar year.

Kingdom of Saudi Arabia (KSA)

- Established in a country with a consumption tax system such as VAT and is registered for tax in such country.
- Country of residence allows a similar mechanism to provide refunds of tax to KSA residents.

No formal mechanism announced. Foreign business is encouraged to submit a letter to the tax authority requesting for refund. Refund shall cover a 12-calendar month period and minimum VAT refund claim of SAR 1,000.

On or before June 30 after end of the calendar year.



How can we help?



Analysis and evaluation of the entities' eligibility for the VAT refund scheme.



Assistance in the preparation of the relevant documentation and submission of the application to the tax authority.



For questions/assistance, please contact tax.services@crowe.ae