

### VAT refund scheme for eligible persons

The Bahraini National Bureau for Revenue (NBR) has recently issued guidelines for eligible persons (EPs) to apply for refund on VAT in Bahrain.

The key points within the guidelines have been summarized below for your considerations:

Key points	Details
Eligible persons <sup>1</sup>	<ul style="list-style-type: none"> <li>International entities in Kingdom of Bahrain including Foreign Governments, Diplomatic missions and institutions, International Organizations, Consular and Military Bodies</li> </ul>
Registration requirements and process <sup>2</sup>	<ul style="list-style-type: none"> <li>EPs are required submit the applications for registration with Ministry of Foreign Affairs, Bahrain (MOFA)</li> <li>MOFA will validate the application and documents received from EPs and coordinate with NBR to register them with NBR</li> <li>EPs will receive the login details from NBR for further processing<sup>2</sup></li> </ul>
Who can file a refund	<ul style="list-style-type: none"> <li>Registered EPs in Bahrain can request for refund for a given period and report on a periodic basis in a refund application</li> <li>Registered agent or a representative authorised by EPs can file for a refund</li> </ul>
Minimum value	<ul style="list-style-type: none"> <li>The value of refund claimed cannot be less than BHD 100</li> </ul>
Refund process for EPs	<ul style="list-style-type: none"> <li>One application per account is accepted</li> <li>Two applications for two different IBANs will be permitted post June 2020</li> <li>Amendments are not allowed when refund under process</li> </ul>
What happens if returns are not submitted by EPs	<ul style="list-style-type: none"> <li>If EPs do not submit returns or submits after due dates, EPs can submit the refund request in the next following period</li> <li>If the due date falls on a official holiday, the EPs can request refund on the next working day</li> </ul>
Refund schedule for eligible person	<ul style="list-style-type: none"> <li>Transitional refund period for the year 2019</li> <li>Normal refund cycle from June 30, 2020 onwards</li> </ul>

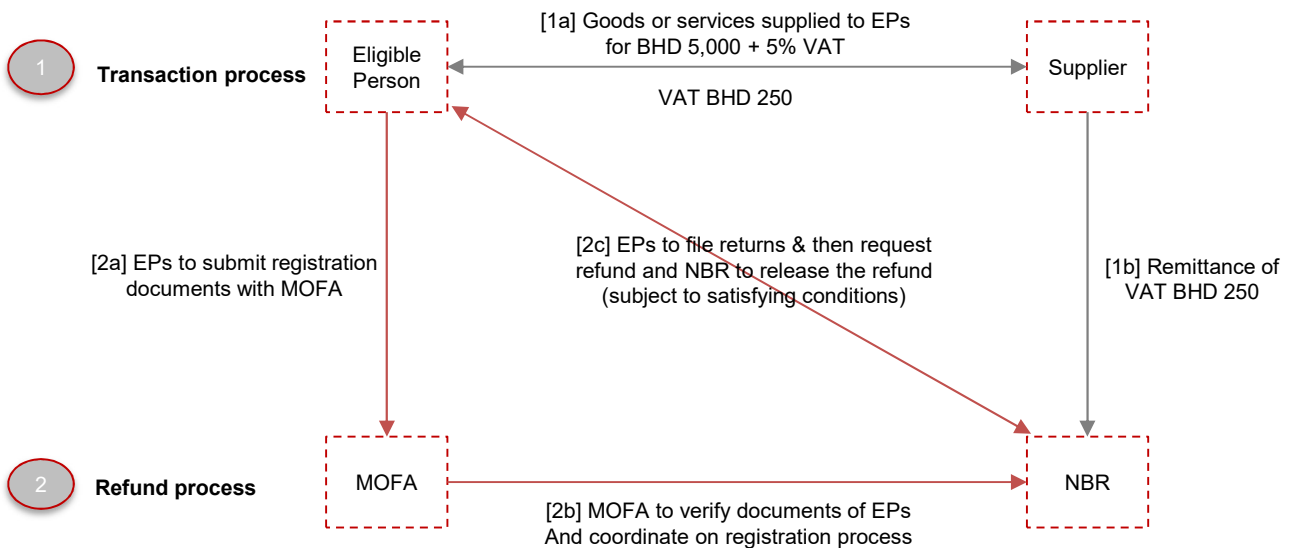
The “refund schedule” have been summarized below for further considerations:

Particulars	Normal refund cycle			
	Transitional period			
Refund period	1 January 2019 to 31 January 2020	1 February 2020 to 30 June 2020	1 July 2020 to 31 December 2020	1 January 2021 to 30 June 2021
Deadline for return filing (followed by refund requests)	1 April 2020 to 30 April 2020	1 July 2020 to 31 July 2020	1 January 2021 to 31 January 2021	1 July 2021 to 31 July 2021

<sup>1</sup> Source: Manual for registration and refund for Eligible Persons

<sup>2</sup> If applications are not approved, MOFA would request for additional information (as necessary) or intimate on rejection of application

### Hypothetical scenario



### How we can help :

- Appraise you on key aspects for VAT refund scheme;
- Support you with registration process, filing and obtaining refund from NBR; and
- Maintaining records (as necessary)

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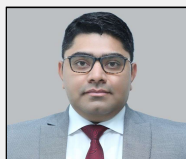
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