

MOF initiatives in response to COVID-19

In light of the COVID-19 crisis, the Ministry of Finance in Kuwait (MOF) has issued a decision to give relief and reduce hardships resulting from disruption (starting from 12 March 2020) to the existing domestic and international corporate tax assessee, by extending the due dates for submission of tax declarations, tax payments and related tax litigations in Kuwait. The key points and details in the decision (i.e., Ministerial Order No.21 of 2020 dated 16 June 2020) have been summarized for your high-level understanding:

Key points	Parameters	Relief
Submission of Tax declarations	<ul style="list-style-type: none"> For fiscal year ended on 31 December 2019 and 31 January 2020 	<ul style="list-style-type: none"> Extended for a period of 60 days, starting from the date of the first day of the resumption of work at MOF
	<ul style="list-style-type: none"> For fiscal year ended before 31 December 2019, which was due during the disruption period 	<ul style="list-style-type: none"> Extended for a period of 30 days, starting from the date of the first day of the resumption of work at MOF
Tax payments	<ul style="list-style-type: none"> National Labor Support Tax (NLST); and Zakat 	<ul style="list-style-type: none"> Shall be settled as a lumpsum (one payment) on the same day of submitting the returns
	<ul style="list-style-type: none"> Corporate tax 	<ul style="list-style-type: none"> The amount of tax installments due, shall be settled as a lump sum (one payment) on the same day of submitting the related tax returns
Tax litigations	<ul style="list-style-type: none"> Objection submitted and responses Appeals submitted and responses (including Tax Appeal Committee resolutions) Tax due as per assessments or re-assessment letters 	<ul style="list-style-type: none"> The remaining period, shall continue to be counted starting from the date of the first day of the resumption of work at MOF
	<ul style="list-style-type: none"> Additional relief period for tax litigations 	<ul style="list-style-type: none"> Five working days or remaining period, whichever is higher
Penalty	<ul style="list-style-type: none"> Waiver of penalty 	<ul style="list-style-type: none"> No delay penalties would be applied, if taxes will be settled during disruption period

How we can help :

- Make sure you understand the intentions of the decision by MOF; and
- Support the internal finance and tax functions to adhere to the compliance requirements during the challenging times

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