KPMG

Tax alert

June 2024

The State of Qatar recently signed two separate "Double Tax Treaty" agreements with KSA and the UAE - Doha, Qatar – May 30, 2024

The State of Qatar, represented by its Ministry of Finance, has recently signed two separate Double Tax Treaty Agreements ("DTTAs") respectively with the Kingdom of Saudi Arabia and the United Arab Emirates, with an aim to avoid double taxation and prevent fiscal evasion with regards to income taxes.

These landmark agreements demonstrate a significant effort to strengthen economic cooperation and foster investment opportunities between the State of Qatar, Saudi Arabia, and the UAE.

The DTTAs are designed to eliminate the double taxation of income, thereby easing the financial burden on businesses operating across these borders.

Additionally, they shall include provisions to enhance transparency and cooperation between tax authorities, which are crucial for preventing tax evasion and promoting fair tax practices.

These agreements are aligned with the General Tax Authority's ("GTA") broader strategy to support the objectives of Qatar National Vision 2030. The treaties are expected to establish robust trade links with key regional markets, further strengthening Qatar's economic position, and are likely to offer substantial tax relief or exemptions on cross-border transactions.

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What is Next?

While the specific terms of the agreements have not yet been disclosed, the signing of these agreements represents an initial step towards their implementation.

The DTTAs will enter into effect once the necessary procedural requirements are completed and ratified by the respective countries.

We will keep you updated with further details as they become available.

How can KPMG help?

Businesses operating in Qatar and having or projecting future operations with Saudi Arabia and the UAE should evaluate proactively the impact of these DTTAs on their operations. Our team is ready to assist you in understanding and navigating these changes.

We welcome the opportunity to discuss the DTTAs and the implications they may have on your business once the draft agreements are available. It is key to evaluate their impact on your business proactively and not wait until the official ratification of said agreements.

If you have any questions or would like to discuss this further, please contact us.

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