

Oman VAT updates

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Oman tax authority (OTA) issued VAT guides and resolutions

Please find below list of resolutions, which have been issued recently by OTA:

1. **Resolution No. 1/2021** – This resolution has been issued to set the mandatory and voluntary registration thresholds. Mandatory threshold determined as OMR 38,500 and Voluntary threshold determined as OMR 19,250
2. **Resolution No. 2/2021** – This resolution has been issued to determine the list of food products which are subject to VAT at zero-percent
3. **Resolution No. 3/2021** – This resolution has been issued to set the phased timelines and due dates for registration as below:

MANDATORY REGISTRATION

Phase	Taxable Turnover (OMR)	Mandatory registration timelines	VAT effective date
Phase 1	Above 1 million	1-Feb-2021 to 15-Mar-2021	16 April 2021
Phase 2	From 500,000 upto 1 million	1-Apr-2021 to 31-May-2021	01 July 2021
Phase 3	From 250,000 and upto 499,999	1-Jul-2021 to 31-Aug-2021	1 Oct 2021
Phase 4	From 38,500 to 249,999	1-Dec-2021 to 28-Feb-2022	1 Apr 2022

VOLUNTARY REGISTRATION

It is available for businesses making minimum annual taxable turnover or expenses over OMR 19,250. They may apply for registration starting from 1st February 2021

In addition to the executive decisions, two VAT guides have also been issued by OTA:

1. **A guide on how to get ready for VAT** - This guide explains the steps to be taken by businesses for VAT implementation which includes understanding the VAT provisions, early planning for the implementation process, carrying out the various actions, testing of the systems and post implementation monitoring and accurate recording.
2. **VAT registration guide** – This guide explains the process related to VAT registration during the transition period.

For more information on VAT registration or any of your inquiries on VAT implementation in Oman, please contact us at info-oman@premier-brains.com