

## KSA Tax Alert

**In July 2017, Articles 66 and 67 of Saudi Arabia's Income Tax Law (ITL) regarding appeal committees and their functions were amended through Royal Decree (RD) No. (M/113), dated 2-11-1438 AH (corresponding to 25 July 2017).**

## Saudi Arabia establishes appeal committees and procedures

### Key Highlights

The General Authority of Zakat and Tax (GAZT), through its Circular No 7258/16/1439 dated 25.2.1439 (14 November 2017), subsequently clarified that the original appeal procedures as set forth in ITL Articles 66 and 67 would remain in force until new appeal committees were formed.

Accordingly, these specialized tax appeal committees have now been established in compliance with the RD M/113. Consequently, the amendment to ITL Articles 66 and 67 on appeal procedures is expected to become effective soon. Once the changes become effective, a tax appeal will have to be filed within 30 days (previously 60 days) and the Higher Tax Appeal Committee's decision will be considered final (previously the tax law allowed filing an appeal with the Board of Grievances – BOG). Also, the current appeal committees will no longer be hearing the pending cases.

#### Specialized tax appeal committees provide for the following number of committees:

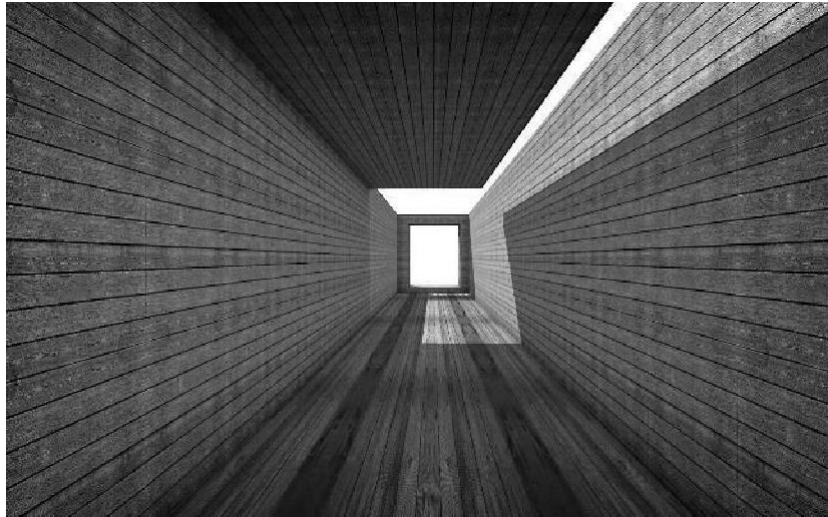
##### **Preliminary level**

- For income tax matters: There are two appeal committees for the city of Riyadh, one for Jeddah and one for Dammam
- For VAT matters: There is one appeal committee for the city of Riyadh, one for Jeddah and one for Dammam
- For Excise tax matters: There is one appeal committee for Saudi Arabia in Riyadh

##### **Higher level**

- Income tax matters: One appeal committee for Saudi Arabia in Riyadh
- VAT and Excise matters: One appeal committee for Saudi Arabia in Riyadh

The communication does not address Zakat disputes, nor when the newly formed committees are to **become operative**.



**Anurag  
Chaturvedi**  
Managing Partner  
Chartered House Tax Consultancy

Office 1711, The Metropolis Tower,  
Business Bay  
Dubai - U.A.E  
M + 971.55.8860948  
T + 971.4. 2435666

[anurag@charteredhouse.ae](mailto:anurag@charteredhouse.ae)  
[www.charteredhouse.ae](http://www.charteredhouse.ae)



If you require more information or have any questions about the update.

Please **contact us**.

We are a first-class, dedicated team with a passion for delivering a quality experience for our clients and would be delighted to leverage our extensive knowledge and track record to support your compliance.

We relish the opportunity to collaborate with you to combine our skill in practical entrepreneurship, innovation and management consulting and look forward to hearing from you.