

Dear Customer,

We are reaching out to you on behalf of **General Authority of Zakat & Tax (GAZT)** as we conduct a programme of outreach regarding the launch of Value Added Tax (VAT) in the Kingdom of Saudi Arabia on 1 January 2018. We are committed to full compliance with VAT regulations and are also committed to ensuring full compliance by our business partners, which begins with VAT registration.

VAT registration is a simple online process that is now open for all eligible businesses, with more than 55,000 businesses already VAT registered:

- If your company is expected to earn more than 1,000,000 SAR in annual supplies of goods and services, then your business is legally required to register for VAT by 20 December 2017
- If your company is expected to earn more than 375,500 SAR in annual supplies of goods and services, then your business is legally required to register for VAT by 20 December 2018
- If your company is expected to earn more than 187,500 SAR in annual supplies of goods and services, then your business is eligible to voluntarily register at any point

More information on the registration requirements and process can be found here or by visiting the following link.

<https://vat.gov.sa/en/vat-e-services/vat-registration>

Companies that do not comply with registration requirements will be subject to penalties. Furthermore, early registration is an essential step in your company's journey towards full VAT compliance.

VAT compliance extends beyond registration but is simple nonetheless, and there are plenty of resources to support your preparation.

- Click here or visit the following link for assessing your Readiness
<https://vat.gov.sa/en/e-services/vat-readiness-tool>
- Click here or visit the following link for information on Filing
<https://vat.gov.sa/en/e-services/vat-returns>
- Click here or visit the following link to see answers to Frequently Asked Questions
<https://vat.gov.sa/en/introduction-to-vat-teh/faq/technical-faqs>

After 1 January 2018, our business will cooperate with informational requests by the General Authority of Zakat and Tax (GAZT), such as sharing invoices of our transactions.

If you have any inquiries on what VAT requires of or means for your business, then please utilize one of the many services GAZT is providing to help prepare you for VAT implementation. These include:

- Visiting the VAT website at www.VAT.GOV.SA
- Contacting VAT via e-mail at VAT@gazt.gov.sa
- Calling GAZT call centres via 19993 from 7am to 11pm, Saturday to Thursday
- Visit VAT events for which a calendar can be found here or by visiting the following link.
<https://vat.gov.sa/en/events>

Sincerely,