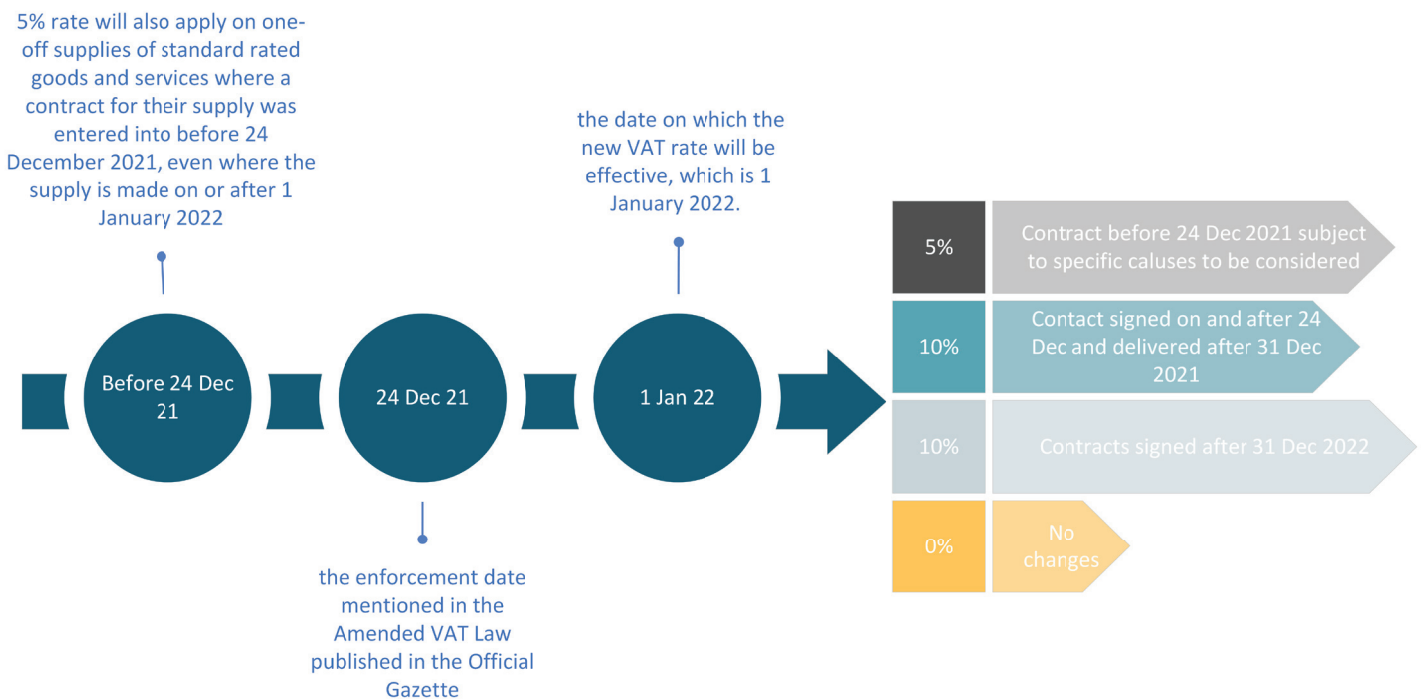


VAT RATE CHANGE TRANSITIONAL PROVISIONS



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The NBR has issued new guidelines in relation to the increase in the standard rate of VAT from %5 to %10 with effect from 1 January 2022. The transitional involved two dates that should be taken into consideration as illustrated here.



What you need to consider?

VAT Registered need to consider the impact of the rate increases, this would include:

- 01** System configuration, timing of configuration and intermediary transaction consideration.
- 02** Terms of contracts and other legal factors to be considered.
- 03** Transitional rules that apply during the transitional period between the 5% VAT rate and the VAT rate of 10% (See the diagram above).
- 04** Impact on Cash flow

What can we do to help?

- 01** Review the current system configuration and automation requirements.
- 02** Review the VAT related aspects of your legal documents.
- 03** Assess the Cashflow impact in relation to the increase in the standard rate of VAT from 5% to 10%.
- 04** Assess the transitional rules that apply during the transitional period between the 5% VAT rate and the VAT rate of 10% and align to the current operations.
- 05** Conduct training and awareness sessions to key staff and stockholders.

Who we are?

Elyaa Audit and Consulting (“HLB Elyaa”) is a professional firm that provides assurance, advisory, tax, and other business services to its clients.

In the current competitive market, clients expect high quality services and products and we at HLB Elyaa go the extra mile to ensure a client service that exceeds expectations and contribute to our community and people.

