

Trial Balance

FEBRUARY 2021

PUBLISHED BY:-



ABDULLA ALMULLA
AUDITING & ACCOUNTING

4th EDITION
EVERYTHING
ABOUT VAT IN UAE



**VAT FOR
E-COMMERCE
IN UAE**

**EXCISE
TAX**

The Authority still has exempted certain beverages from the scope of the excise tax.

**5 COMMON
VAT
ERRORS**

**YOU SHOULD
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EDITORIAL

Dear Reader,

It is an absolute pleasure to welcome you to Trial Balance Magazine as we start our third month of publication and new year.

Trial Balance is a supplementary brand Magazine published by AM Audit to share the latest blogs & Articles for Financial Education purposes.

Our mission is to bring the community thoughtful and engaging information on Finances. Anyone is welcome to submit their work on Finances for publication on our email. Entries for print publication are feature-length pieces (many mediums accepted and encouraged) and are scrutinized to a higher degree.

Use our website to read articles. As a publication, we do not advocate for any specific political ideology. We see our platform as a sacred space of learning.

I am elated to be furthering the mission of Trial Balance.

Cheers,



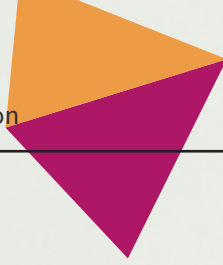
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Everything about VAT in UAE

Value Added Tax or VAT is a tax on the consumption or use of goods and services levied at each point of sale. VAT is a form of indirect tax and is levied in more than 180 countries around the world. The end-consumer ultimately bears the cost. Businesses collect and account for the tax on behalf of the government.

Value Added Tax (VAT) was introduced in the UAE on 1 January 2018. The rate of VAT is 5 per cent. VAT will provide the UAE with a new source of income which will be continued to be utilised to provide high-quality public services. It will also help government move towards its vision of reducing dependence on oil and other hydrocarbons as a source of revenue.

Thresholds for UAE VAT Registration Process

Mandatory Registration: If the taxable turnover of the business is AED 375,000 or more in the previous 12 months.

Voluntary Registration: The annual turnover or taxable expenses must be more than AED 187,500 in the previous 12 months.

List of documents required for UAE VAT Registration Process

1. Copy of Trade License
2. Passport copy (Owner/partners)
3. Emirates ID (Owner/partners)
4. Company's Bank Account details and IBAN

5. Details Business Turnover for the last 12 months
6. Customs Authority Registration code (if have)

Other Required Details for UAE VAT Registration Process

1. O. Box.
2. Projected revenues and expenses for the next 30.
3. Details/Nature of Business Activities. (Import/Export or Trading).
4. Names of GCC countries if doing business in them.

(Note: Documents as mentioned earlier and details should be kept ready before you start the registration process on the VAT registration portal.)

01.

Steps for UAE VAT Registration Process

1. Go to FTA online portal.
2. Sign up for a new account.
3. After successful sign-up, start your registration process as guided on the FTA website.
4. Enter relevant details and submit the application.

On successful submission, Tax Registration Number (TRN) will be provided to the user.

The sign-up details will be used as your login and password.

02.

How to check validity of TRN

TRN (Tax Registration Number) is the identification number given to every person registered under UAE VAT. It is mandatory that only persons having a valid TRN should charge VAT on supplies. FTA has created a separate section for to check the validity of the Tax Registration Number in the FTA e-service portal

After the email or SMS notification of the TRN following are the steps you should follow to check the validity of your TRN:

1. Log in to FTA e-service portal by inserting your credentials
2. Access your 'TRN Verification' by selecting the 'Getting Help' section
3. Insert you TRN in the provided search field and Click on the search button

Note: If your TRN is valid that the results will be 'TRN is available on the system' followed by the registered person's name. If the TRN is invalid than the results will be 'TRN does not exist on the system'.

03.

When can a Business apply for vat de-registration

Following are the cases when a business can apply for the deregistration of VAT:

If the business, no longer deals with the goods/ services for which it was liable to pay taxes

If the business's sales/ purchase invoices incurred over the past 12 consecutive months is less than the voluntary registration threshold and do not anticipate crossing this threshold in the next 30 days.

If the company is going through liquidation (closing the firm).

Note: Any business who has voluntarily registered under VAT cannot apply for de-registration in the 12 months following the date of registration.

05.

VAT Penalties

VAT fines and penalties in UAE will be imposed by Federal Tax Authority (FTA). Businesses in UAE must abide by all the rules and regulations of FTA in order to avoid heavy VAT fines and penalties. FTA has officially confirmed the complete list of all the administrative VAT Fines and Penalties in UAE that will be imposed on businesses for violating the VAT laws.

04.

How to apply for vat de-regis-

The registrant should ensure that due tax and administrative penalties have been paid and tax has been filed.

The registrant should apply for deregistration within 20 business days of the occurrence of either of the above 3 events.

The registrant should apply for de-registration on the online FTA web portal.

If the deregistration application is approved, the tax registration will be canceled. A notification of successful deregistration will be sent to the registrant after 10 business days of the application being approved.



VAT Voluntary Disclosure

A Voluntary Disclosure is a form (VAT Form 211) provided by the Federal Tax Authority (FTA) which enables the taxpayers to voluntarily notify the FTA about the error or omission in a previous Tax Return, Tax Assessment or Tax Refund application.

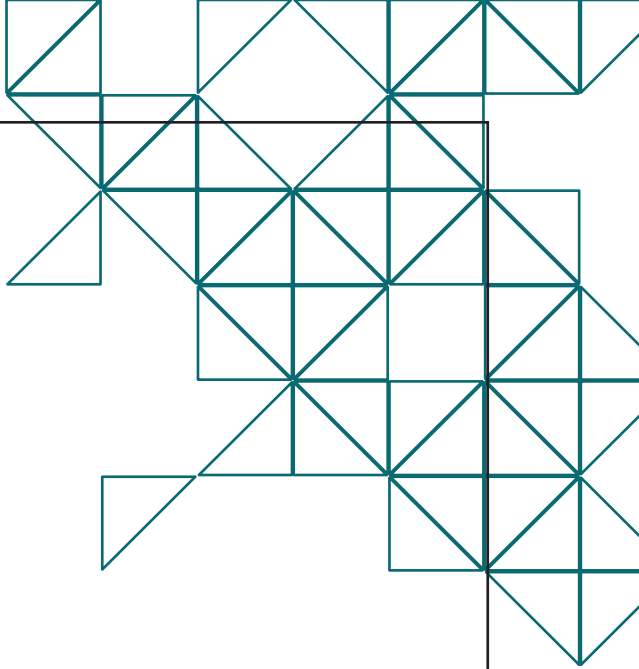
Mr. Mohammed owns a retail shop, and he does his own VAT returns filing. After filing the VAT returns for his previous quarter, he soon realizes that he has made a massive filing error. He mentioned the numerical 3000 AED rather than writing 300 AED. Now Mr. Mohammed has to rectify the mistake. But How?

He approaches one of his friend who tells him about the VAT Voluntary Disclosure Form 211.

Are you finding yourself in a similar situation? Continue reading to learn more about how you can rectify the error via VAT Voluntary Disclosure Form 211

Paying VAT to FTA in UAE must be done with utmost detailed accuracy and precision, with VAT becoming an integral part of all UAE businesses. But what if one makes an error in filing their VAT Returns?

Voluntary disclosure is a form in UAE furnished by the Federal Tax Authority (FTA) to allow businesses and taxpayers to inform FTA about the mistakes/errors and omission/modifications in a Tax Refund or Tax Returns. The VAT Voluntary disclosure form 211 in UAE enables a taxable person to make corrections within the errors they have committed while filing a VAT return or applying for the VAT Refund. It offers the taxable person or business a preference to voluntarily disclose the mistakes they've carried out within the preceding VAT return or VAT Refund.



VAT Voluntary Disclosure form 211

Suppose a taxable individual makes an error or omission or incorrect treatment of Tax. The input tax receivables or output tax payable is more than AED 10,000/- for a particular duration. If so, he ought to use the VAT Voluntary Disclosure form 211 to inform the authority. There are distinctive situations when you should submit a VAT voluntary disclosure to the FTA.

What are the primary criteria for filling VAT voluntary disclosure in UAE?

- Suppose the taxpayers become aware that a tax return submitted by him to the FTA or a tax evaluation sent to him via the FTA is incorrect, which led to a calculation of the Payable Tax being much less than it needs to be, he needs to publish a voluntary disclosure to correct such error.
- Suppose the taxpayers become conscious that a tax refund application that he had submitted to the FTA is wrong, which led to calculating the refund amount to which he is entitled, being more than it needs to had been. If so, he ought to put up a voluntary disclosure to correct such errors.
- Suppose the taxpayers become aware that a tax return submitted by him to the FTA or a tax evaluation sent to him by using the FTA is wrong, which resulted in a calculation of the Payable Tax being extra than it needs to. In that case, he may additionally submit a voluntary disclosure.

Suppose the taxpayers become conscious that a tax refund utility he has submitted to the FTA is inaccurate, which resulted in calculating the refund quantity to which he is entitled to be less than it needs to have been. If so, he may additionally publish a voluntary disclosure to correct such error.

ARE THERE ANY PENALTIES

INVOLVED WHILE SUBMITTING VAT

VOLUNTARY DISCLOSURE?

The taxable person can be liable to two different kinds of penalties for submitting Voluntary Disclosure.

2 PENALTIES

FOR THE FIRST TIME SUBMISSION

THERE IS A FIXED PENALTY OF AED

3,000/-

SECOND OR REPEATED SUBMISSION:

THE PENALTY CAN GO UP TO AED

5,000/- OR MORE

(Note: Apart from those, there is more to learn about how much FTA penalizes, primarily based on percent.)

VAT Reconsideration

FTA, as the regulatory body for VAT in UAE Laws; takes charge of the managing and collecting federal taxes and fines. And having the knowledge of tax laws has its own perks for business organizations and individuals. Due to the numerous situations where the taxpayers are not satisfied with the decision given by the Authority, they always the option for a VAT reconsideration.

Do you believe that your company has been actually not liable to the penalties? Or do you not agree with Federal Tax Authority's (FTA) decision over your penalties?

If yes, here is all you need to know before filing the reconsideration for your VAT penalties.

A taxpayer who have received a penalty can apply to the FTA for a VAT reconsideration within 20 working days from the date of the receipt of such penalty.

After providing the reason for applying a reconsideration on FTA's decision which also includes an analysis of the alternative treatment which the applicant consider that should have taken in its case, the Authority will then review the request for reconsideration and, if the applicant has fulfilled all the requirements, a justifies decision by the FTA will be issued within 20 working days from

the date of the receipt of such application. The tax Authority can review its decision and give relief to the taxpayer if they can prove the case of the filing by VAT Reconsideration.

(Note: The application and its supporting documents should be written in Arabic Language only.)

Following are some common circumstances under which a taxpayer can induce VAT penalties in the UAE:

1. **Late Registration for VAT**
2. **Late Deregistration**
3. **Failure to file VAT Returns within the time and not making the payment on time**
4. **Submission of wrong documents or incorrect information**
5. **No proper records**

Level 3

Federal Court Litigation *(only if the disputed amount is more than AED 100,000)*

If the taxed person is not happy with the verdict of the Tax Disputes Settlement Committee, then he has the right to bring an appeal before the competent court. The trial is where the decision sits unchallenged. The appeal must be lodged within 20 working days after the verdict of the Tax Disputes Settlement Committee is transmitted.

Level 2

Tax Dispute Resolution Committee

In the case that a taxable person is not compliant with the amended ruling, he may use his right to appeal to the Committee to Resolve Tax Disputes. The proposal must be made within 20 business days of FTA's amended statement. The Committee for Settlement of Tax Disputes shall then respond to the complaint within 20 business days.

Level 1

Reconsideration form

The first step in the process of VAT Reconsideration in UAE is to urge the FTA to reconsider its decision. The corporation is expected to file the reconsideration form within 20 business days of the date of the initial FTA decision. The FTA will also be expected to respond to the reconsideration request and deliver a revised decision within 20 business days.

5 common VAT Errors

Value Added Tax in the United Arab Emirates can be complicated. And understanding VAT, while you are busy running your business, can be difficult. Such a situation makes you more prone to making VAT errors and not comply with VAT rules correctly. There are many complexities involved in the operation of VAT, and they can lead to mistakes at some point and can have significant consequences. In this scenario, taking timely actions is the primary key.

As FTA on finding these errors think you

were careless or worse, you deliberately made the VAT errors.

Such errors may charge you with penalties ranging from 15% to 300% of the VAT due on top of the tax payable.

AM Audit as an approved Tax Agency, get visits from clients dealing with the same issue. So, to help you negotiate the complex rules of VAT, here are some of the common mistakes we see every day while going through our clients' accounts.



01

One of the errors that we frequently notice is the poor maintenance of the records. These include:

- Claiming VAT without the purchase invoices
- Missing sales invoices from the returns
- Duplication of the invoices
- Late filing or payment of the returns

02

Considering some clients' incidents, while disclosing transactions in the VAT returns, they fail to include the transactions which are covered by reverse charging mechanisms because the reverse charge mechanism transactions don't have Tax effect as such.

05

A lot of us mistakenly know the purpose of the adjustment column in the VAT returns and use it to correct errors from previous VAT returns that have been submitted. The purpose of the adjustment column is for bad debts (mostly). This could lead to a lot of questioning of supporting documents during the audit phase, which could lead to penalties.

04

The probability of errors in credit notes is more where the original sale invoice is not posted because cash-accounting applies, but a credit note is raised, and the VAT claimed. Hence, you should make sure the credit note is dealt with correctly in line with the original supply.

Claiming the bad debt too early is the most common error we have come across.

03

Complying with the tax point (point of supply) of the VAT is crucial as the FTA checks whether you charge VAT at the right time.

There are times where-in the clients mistake to insert the supplies in the wrong returns when the supplies are made at the end of the quarter.

The highest number of penalties occur due to late registration and deregistration since most of the clients fail to comply with the necessary threshold.

The initial step to save yourself from these penalties is making sure that your bookkeeping is adequately maintained and clear. Making up to date records will avoid many mistakes and make the completion of your records much more accessible.

Everyone has a very complex set of rules and regulations to apply to each type of supply. The VAT rates can also refer to seemingly similar transactions differently.

Poorly planned VAT, hiring a non-professional resource, issuing valid tax invoices, and mistakes in calculating the VAT and failing to file appropriate amounts are the other common mistakes made by many clients in the UAE while filing a tax return. And as a result, these mistakes can attract fines as high as Dh 50,000.

Keeping all of the above in mind, it is highly recommended that you outsource your VAT Compliance function to an FTA-Approved, Registered Tax Agents that will ensure the accurate operation of VAT and will also make sure that all compliance obligations are fulfilled.

There are many rules and regulations regarding

VAT in the UAE. It can be relatively easy for businesses to make honest VAT Errors, which can lead to significant VAT Penalties or VAT Enquiries.

We understand that handling VAT along with your business is difficult, This is why we, AM Audit, with our set of the specialist in VAT take the full charge of all your VAT issues. We operate VAT in a tightly-controlled environment. Our experts are trained and aware of the changes in practice and legislation; we can play a vital role in reducing the risk of errors in the VAT Compliance process. We make sure that there are zero errors.

All you have to do is appoint us as your VAT Agent. What next? That's it!

We are here to help guide your business through the complex maze of VAT legislation. We help you with all the areas of VAT from relatively fundamental issues like the initial registration, the completion, and submission of VAT returns, and pieces of advice to more complex problems like assessments, control visits and cross border transactions.

VAT for E-commerce in UAE

E-commerce VAT guide by the Federal Tax Authority notifies the V.A.T. treatment of supplies of goods and services through electronic means, such as over the internet or a similar electronic network.

All goods and services that are purchased online are subject to a 5 percent Value Added Tax if their delivery address is in the U.A.E., and if the products are utilized locally.

The F.T.A. provided updated guidance, making it clear that all “electronic service supplies”, including e-books, music, magazines, games, movies, and other services that are conveyed digitally. These are subject to the tax only in the situation like; if they are delivered to local accounts or consumed locally.

F.T.A. director general Khalid Al Bustani mentioned that “In light of the increasing importance of the e-commerce sector, clear mechanisms for procedures have been identified.”

Other services subject to V.A.T. include the purchase of domain names, website advertising, distance learning courses, or live-streamed broadcasts of a range of content including sports, entertainment, cultural, political, artistic, and scientific events. Value Added Tax applies to services delivered through websites, mobile apps, and other digital platforms.

(Note: The F.T.A. said that its new guide, which is available on its website, clarifies whether companies or individuals delivering services need to register for V.A.T. or not and whether such registration is compulsory or voluntary. It also deals with issues surrounding residency and the allowance of taxable expenses.)





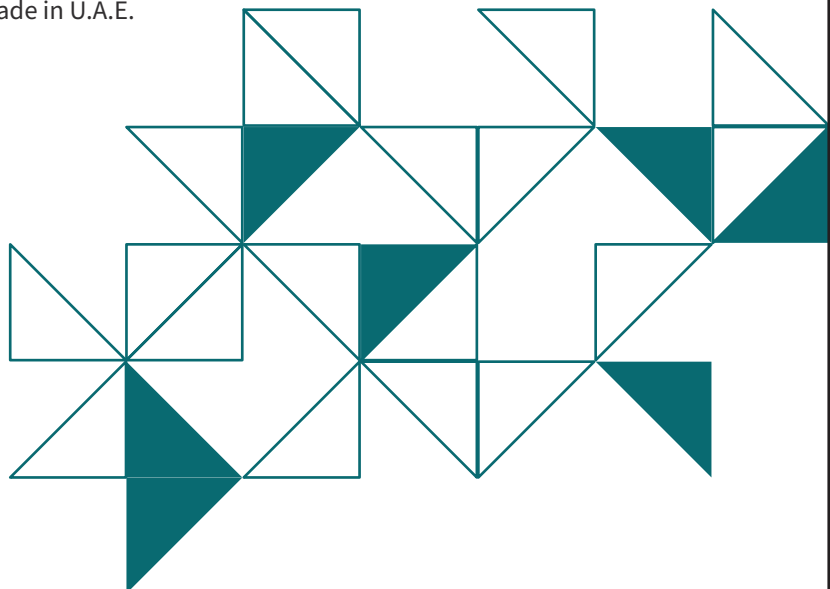
In-Depth

E-commerce refers to business transactions (income and purchases), which can be performed electronically, as on the internet.

If someone is imparting items or offerings in U.A.E. via the internet or another electronic media, he's chargeable for the gathering of V.A.T. as in traditional commerce. This also applies, however, that the transactions are effected through a third-party e-commerce provider issuer.

The medium via which the transaction takes place does no longer regulates the taxability of the sale.

All physical items supplied over the internet attract V.A.T. if the provider is a taxable individual, and the supply is made in U.A.E.



VAT- Registration Guidelines

V.A.T. is a consumption tax imposed at each stage of the delivery of goods & services. V.A.T. is payable at each taxable supply and deemed supply made by the chargeable individual and the import of concerned goods. However, certain supplies can be either zero-rated or exempt from V.A.T., as noted within the Federal regulation no. 7 of the 2017 and the executive rules thereby. V.A.T. is charged at 5% standard price or zero-rated.

Simplest, a VAT-registered character can charge and acquire V.A.T. on all substances of prod-

ucts and services made in U.A.E. apart from exempt or zero-rated materials. The VAT-registered people need to account and pay the V.A.T. amassed to the Federal Tax Authority within 28 days from the end of his tax period.

As referred to above, a person is only required to account for V.A.T. within the U.A.E., if it's far a taxable person – that is, if the person is both registered for V.A.T. or is obligated to register for V.A.T. It's far, consequently, vital to determine when a person is required to be registered for V.A.T.

V.A.T. registration may be either mandatory or voluntary. It should be stated that distinct registration requirements and situations may also be observed to both mandatory and voluntary registrations relying on whether or not someone has a place of residence in the U.A.E.

Therefore, someone needs to realize whether or not it is resident in the U.A.E. when thinking about which registration guidelines follow to it.

A person could have a place of residence inside the U.A.E. for V.A.T. registration if the character has an area of established order or fixed establishment in the U.A.E. The phrases are described in the Decree-regulation:

- “place of the established order” in the vicinity where an enterprise is legally established in a country according to the choice of its established order, wherein great control choices are taken, or central management functions are carried out.
- “constant establishment” is any fixed place of business other than the established order’s location. Here, the person conducts his commercial enterprise regularly or permanently and wherein enough human, and era assets exist to enable the individual to deliver or accumulate items or services, consisting of the person’s branches.

Mandatory Registration

A person resident in the U.A.E. is required to register for V.A.T. if any of the subsequent follow:

- The entire price in their taxable materials made within the U.A.E. and imports into the U.A.E. surpassed AED 375,000 over the preceding 12-month period; or
- The individual anticipates that the total value in their taxable elements made within the U.A.E. and imports into the U.A.E. will exceed AED 375,000 inside the subsequent 30 days.

The principal categories of supplies and imports that need to be

taken under consideration for the functions of the required registration threshold, and the voluntary registration threshold, are:

- Materials of goods or services made inside the U.A.E. in the direction of enterprise.
- Any goods or services that the individual has imported into the U.A.E. that would have been subject to V.A.T. had they been furnished in the U.A.E. The person need to not include in this calculation the value of any supplies which might be both exempt from V.A.T. or are outside the scope of UAE VAT.

In evaluation, if the person isn't always resident in the U.A.E., the individual is required to sign in for V.A.T. if it makes any taxable substances inside the U.A.E., except there may be any other character in the U.A.E. who's answerable for accounting for V.A.T. on such sports. As such, for non-resident suppliers, the registration threshold is, in impact, nil.



Voluntary Registration

Voluntary registration is an alternative available to companies that do not have a turnover in extra of the mandatory registration threshold; however might nonetheless want to be registered for V.A.T. someone can voluntarily sign in for V.A.T. if:

- At the quit of any month, the full price of the person's taxable substances and imports, or their fees which have been subject to V.A.T., in the preceding twelve months exceeded AED 187,500; or
- The entire value of the person's taxable supplies and imports, or their expenses that


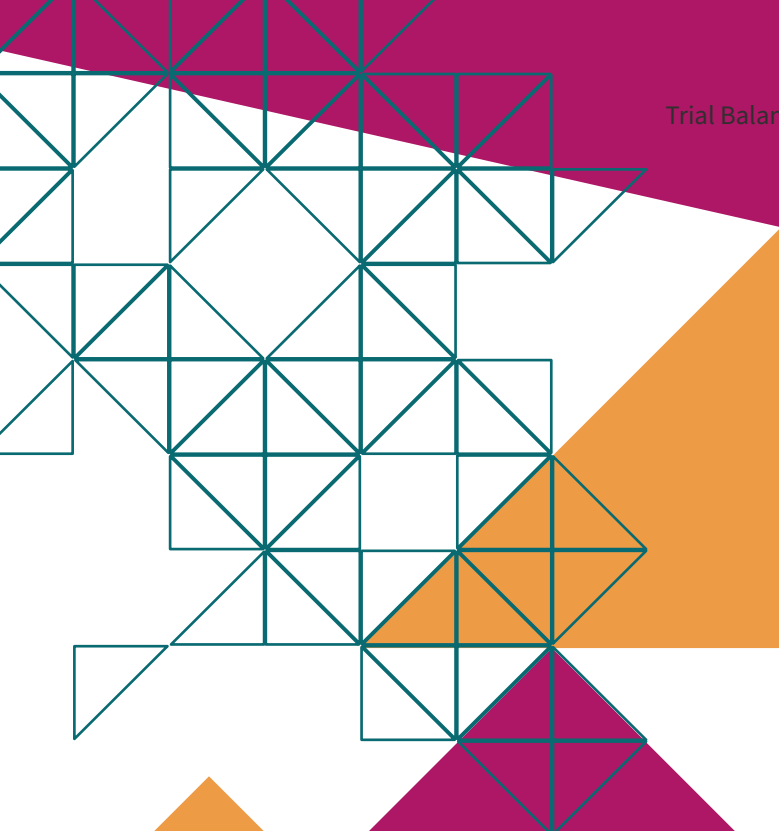
are difficult to V.A.T., is expected to exceed AED 187,500 within the next 30 days.

It must be stated that a non-resident person is not allowed to voluntarily sign up on the idea of its "taxable prices".



RECORDS TO BE MAINTAINED

- Records of all supplies and imports of goods and services.
- All tax invoices and alternative files are related to receiving products & services.
- All tax credit score notes and alternative files were accepted.
- All tax invoices and alternative documents are issued.
- All tax credit score notes and alternative files are issued.
- Data of goods and services that have been disposed of or used for subjects not related to commercial enterprise, displaying taxes paid for the identical.
- Records of products and services purchased and for which enter tax was not deducted.



Tax Treatment for Education

VAT is chargeable on most goods and services with a constrained number of precisely zero-rated or exempt supplies. In light of the flexibility provided via the GCC VAT framework settlement, the Value Added tax Treatment for Educational Sectors have been distinctive in various countries.

The education-associated supplies are traditionally exempt from VAT in foreign VAT regimes. The GCC VAT Framework settlement – prescribing the general VAT standards to be carried out across the GCC – accompanied a

selective approach. It gave a choice to every GCC nation imposing VAT to decide whether it'd deal with certain schooling-related supplies as standard rated or zero-rated.

Quality education is the primary requirement for the boom and improvement of any country. Considering the relevance of schooling, most tax laws internationally offer relaxation to education-related services, and so does the United Arab Emirates.



Clause (13) of Article 45 of the Federal Law No.8 of 2017 provides that:

- The supply of educational services by a government-recognized schooling institution up to the high-school level that includes nurseries, preschool, and high school shall be taxed at zero-rate if provided per the curriculum recognized by the government.
- The supply after the high school that is of more senior education services must subject to zero rates if the institutions providing the educational services are either owned by the government or receive more than half of its annual funding directly via the government.

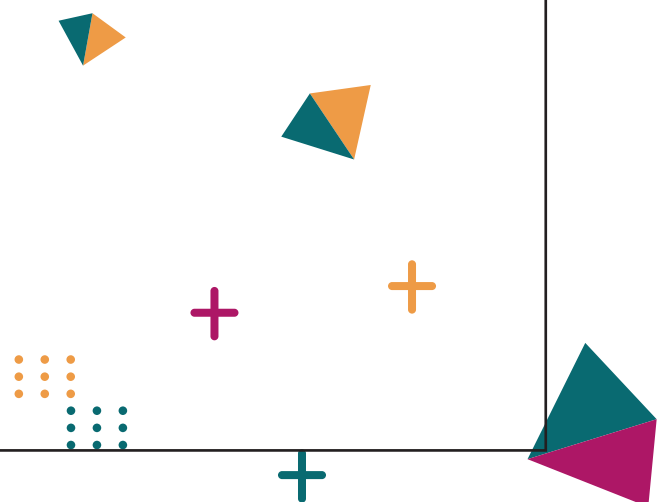
Unlike in other countries' tax laws, the term "education services" has not been described within the UAE VAT regulation. In place of that, the regulation has provided conditions for educational services to be eligible for zero-rated taxability i.e.

- A recognized Educational institution should provide the education services; and

- The 'higher educational institution' (together with college or university) must be owned by the local or federal government or should receive more significant than 50 % of its annual funding directly from them.

Any educational services that are not following the criteria are subject to VAT at the standard rate (i.e., 5%).

1. Books and other Educational Substances:
2. Uniforms or any other Apparel:
3. Digital Gadgets
4. Food and Beverages:
5. Field Trips
6. Extracurricular Activities



The supply of products and services in general, which can be directly associated with the zero-rated supply of schooling, qualify for zero-rated, as well. For instance, books and digital reading material supplied concerning the curriculum – where the tuition charge qualifies as zero-rated. We observe that materials that aren't furnished at once related to a zero-rated education service (e.g., where the education service itself should be taxed at 5%) are taxable at the same old price.

01



02

Uniforms that can be required to be worn are taxable at a standard price regardless of whether they may be supplied by using such institutions as part of the delivery of educational services.

Food and beverages inclusive of elements from merchandising machines or vouchers concerning food and drinks are taxable at standard rates in all case .

03



Digital Gadgets utilized in educational centers are taxable at standard quotes, no matter whether or not provided as part of the supply of educational services.

04



05

That can be required to be worn are taxable at a standard price regardless of whether they may be supplied by using such institutions as part of the delivery of educational services.

Field trips are chargeable at a standard charge unless these are directly associated with the curriculum of education service and aren't predominantly leisure.

06



Club in a student organization is chargeable at the same old charge.

It is concluded that educational services furnished in UAE via recognized educational establishments as per the curriculum recognized with the aid of the authorities are a zero-rated taxable supply.

However, the taxability of the products and offerings provided alongside is decided primarily based on whether such supply directly relates to the supply of educational service. If it refers directly to the supply of zero-rated educational facilities, then these products and services may also be taxed at zero charges; otherwise, it will be taxed at the standard rate.


We comprehend that a lot of you could experience being beaten with the prospect of creating adjustments and making sure that VAT is adopted into your commercial enterprise's operations. we've specialists who've over 20 years' professional experience in taxation and can be of extraordinary assistance concerning tax compliance VAT implementation and tax returns.

Many of our experts have worked in economies where VAT is already applied efficaciously. This gives them an in-depth knowledge of VAT and how it must be followed by using a business. Speak to us about issues, questions, and doubts related to taxes, the implementation of VAT, and the consequences it could have in your existing business.





+ Excise Tax



In the UAE, excise tax was imposed on tobacco and tobacco products, energy drinks, and carbonated drinks. The nation had chosen to levy excise tax on all e-cigarettes, e-liquids and sweetened drinks that signed and ratified this January. With this implementation a substantial change has been observed in firms that produce, supply or export such goods.

The Federal Tax Authority of UAE has made an effort and declared an entirely new procedure of registration and has called on concerned businesses to register their products on the FTA's system.

Healthy lifestyle has long been a key concern for the UAE government and with this program, it is reasonable to anticipate prevention of diseases arising from the consumption of sugary drinks and tobacco products. As quoted by the Cabinet General Secretariat "The decision comes to support the UAE government's efforts to enhance public health and prevent chronic diseases directly linked to sugar and tobacco consumption."

Note: *The Authority still has exempted certain beverages from the scope of the excise tax.*

Accordingly, the Tax is applied as follow:

- An Excise Tax of 100% is levied on all the tobacco products. All the electronic smoking devices and equipment, as well as all the liquids used in the electronic smoking devices; regardless of the nicotine content in them will be taxed.
- An Excise Tax 50% will be levied on any product with added sugar or other sweeteners which may or may not be in the form of beverages. It could even be in the form of concentrate, powder, extract or any sort of product that might be converted into a beverage.

The excluded beverages are the following:

1. Beverages that are ready-to-drink and contains no less than 75% milk or milk substitutes.
2. Child nourishing food or baby formulas.
3. Special dietary need beverages that are specifically processed or formulated to satisfy particular dietary requirements which may be essential for because of a physical or physiological condition.
4. Special medical use beverages that are specially processed and presented for the dietary management of the patients and may be used only under medical supervisions.

Businesses or person Have to register to Excise Tax that are engaged in the following activity:

1. Importing of excise goods;
2. Production of excise goods;
3. Releasing goods from an excise tax designated zone;
4. Stock pilers of excise goods, in certain cases; and
5. Warehouse keepers, in certain cases.

Hence Importers, producers, Stock pilers, warehouse keepers, etc. that deal with electronic smoking devices and liquids that are used in such devices along with sweetened drinks need to register to Excise Tax system. Failure in registering within the specified time period can lead to fines and various other obstacles.

Businesses are required to monitor further Excise tax developments on Standards and Procedures for implementing the Tax on the products.





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AUDITING & ACCOUNTING

**LET'S
GET ROLLING!**



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