

## Saudi Arabia Dispute Resolution Profile

(Last updated: 11 April 2019)

### General Information

- **Saudi Arabia's tax treaties are available at:**

[www.gatz.gov.sa](http://www.gatz.gov.sa)

- **MAP request should be made to:**

1. Mohannad Basodan, Deputy Governor Strategy and Transformation , General Authority of Zakat and Tax; MAP@gazt.gov.sa; Phone: +966112893003
2. Osama Alzuhymeel, Chief, International Affairs, GAZT; zuhymeeloa@gazt.gov.sa; Phone: +966114349364;

**Competent Authority Postal Address:**

General Authority of Zakat and Tax Headquarters  
Prince Abdulrahman bin Abdul Aziz Street - Al Murabba  
City: Riyadh  
P.O.Box : 6898  
Postal Code : 11187

- **APA request should be made to:**

As above.

## Saudi Arabia Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>A. Preventing Disputes</b>				
1.	Are agreements reached by your competent authority to resolve difficulties or doubts arising as to the interpretation or application of your tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers published?	Yes	Saudi Arabia has not yet faced situation of difficulties or doubts arising as to the interpretation or application of our tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers. Such agreement information, if any, would be published at the General Authority of Zakat and Tax (GAZT) website.	<a href="http://www.gazt.gov.sa">www.gazt.gov.sa</a>
2.	Are bilateral APA programmes implemented? If yes:	No	-	-
a.	<ul style="list-style-type: none"> <li>Are roll-back of APAs provided for in the bilateral APA programmes?</li> </ul>	-	-	-
b.	<ul style="list-style-type: none"> <li>Are there specific timeline for the filing of an APA request?</li> </ul>	-	-	-
c.	<ul style="list-style-type: none"> <li>Are rules, guidelines and procedures on how taxpayers can access and use bilateral APAs, including the specific information and documentation that should be submitted in a taxpayer's request for bilateral APA assistance, publicly available?</li> </ul>	-	-	-

**Saudi Arabia Dispute Resolution Profile – Preventing Disputes**

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
d.	<ul style="list-style-type: none"> <li>Are there any fees charged to taxpayers for a bilateral APA request?</li> </ul>	-	-	-
e.	<ul style="list-style-type: none"> <li>Are statistics relating to bilateral APAs publicly available?</li> </ul>	-	-	-

### Saudi Arabia Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
3.	Is training provided to your officials involved in the auditing /examination of taxpayers to ensure that any assessments made by them are in accordance with the provisions of your tax treaties?	Yes	Training is provided to our auditors/examiners at different levels to ensure assessments made by them are in accordance with the provisions of our tax treaties.	-
4.	Is other information available on preventing tax treaty-related disputes?	No	-	-

#### Notes:

1. An APA is an “arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustments thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time”. (see definition of APA in the *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations* (“Transfer Pricing Guidelines”).)

2. Situations may arise in which the issues resolved through an APA are relevant with respect to previous filed tax years not included within the original scope of the APA. The concept of “roll-back” is further elaborated in paragraph 4.136 of Section F (Advance pricing arrangement) of Chapter IV of the Transfer Pricing Guidelines and in paragraph 69 of Section D.4.2 (Possible retrospective application (“Roll back”)) of the Annex to Chapter IV (Guidelines for Conducting Advance Pricing Arrangements under the Mutual Agreement Procedure (“MAP APAs”)) of the Transfer Pricing Guidelines. Simply put, the “roll-back” of the APA is understood to mean that the outcome of the APA is applied to previous filed tax years not included within the original scope of the APA.

## Saudi Arabia Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>B. Availability and Access to MAP</b>				
5.	Are transfer pricing cases covered within the scope of MAP?	Yes	Transfer pricing cases are covered within the scope of MAP if the taxpayer considers that the action of a contracting jurisdiction is not in line with the provisions of the treaty.	-
6.	Are issues relating to the application of treaty anti-abuse provision covered within the scope of MAP?	Yes	-	-
7.	Are issues relating to the application of domestic anti-abuse provision covered within the scope of MAP?	No	Tax treaty provisions prevail over Income tax law with exception for application of anti-avoidance provisions of Income Tax Law.	-
8.	Are issues where there is already an audit settlement between the tax authority and the taxpayer covered within the scope of MAP?	Yes	Though the settlement indicates the closure of the case, the tax authority would allow a MAP case of the settled issue if the taxpayer presents good reasons supporting the request.	
9.	Are double taxation cases resulting from bona fide taxpayer initiated foreign adjustments covered within the scope of MAP?	Yes	-	-
10.	Are there any other treaty related issues not covered under s/n 5 to 9 which are not within the scope of MAP?	No	-	-

**Saudi Arabia Dispute Resolution Profile – Availability and access to MAP**

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
11.	Are taxpayers allowed to request MAP assistance in cases where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	Yes	Nothing in the domestic tax law that prevents a taxpayer from requesting MAP assistance where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative remedies provided by the domestic law of your jurisdiction.	-
12.	Are taxpayers allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	Yes	Taxpayers are allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by our domestic law. International treaties, including DTAs, prevail over the domestic law except for provisions related to procedures of anti-tax avoidance.	-
13.	Are rules, guidelines and procedures on how taxpayers can access and use MAP, including the specific information and documentation that should be submitted in a taxpayer's request for MAP assistance, publicly available?	Yes	GATZ provides publically information that is of concern to taxpayers or categories of taxpayers to enable them to comply with their obligations. Since we have had no MAP, we do not have yet MAP rules, guidelines, procedures etc.,	-

**Saudi Arabia Dispute Resolution Profile – Availability and access to MAP**

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			publically available.	
14.	Are there specific timeline for the filing of a MAP request?	Yes	Filing of a MAP request should be in accordance with the timeline stipulated by the treaty.	-
15.	Are guidance on multilateral MAPs publicly available?	No	-	-
16.	Are tax collection procedures suspended during the period a MAP case is pending?	No	-	-
17.	Are there any fees charged to taxpayers for a MAP request?	No	-	

**Saudi Arabia Dispute Resolution Profile – Availability and access to MAP**

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
18.	Is there any other information available on availability and access to MAP?	No	-	-



## Saudi Arabia Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>C. Resolution of MAP Cases</b>				
19.	Are there any model timeframes for the steps taken by your competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers?	No	As Saudi Arabia has not faced MAP cases yet, no model timeframes for the steps taken by our competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers.	-
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	No	See answer to 19 above.	-
21.	Is interest or penalties resulting from adjustments made pursuant to a MAP agreement waived or dealt with as part of the MAP procedure?	Yes	Interest or penalties resulting from adjustments made pursuant to a MAP agreement are dealt with as part of the MAP procedure.	-
22.	Are the roles and responsibility of the MAP office publicly available, for example, is the mission statement of the MAP office available in the <i>annual</i> report of the organisation?	Yes	GATZ organization book that lists among other things roles and responsibilities of all GATZ units, including MAP office, is available to anybody who has interest in having access to it.	-
23.	Is MAP arbitration a mechanism currently available for the resolution of tax treaty related disputes in any of your tax treaties?  If not:	No	None of our tax treaties has a MAP arbitration mechanism.	-

## Saudi Arabia Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
a.	<ul style="list-style-type: none"> <li>Are there any legal limitations in your domestic law (for example in your constitution) to include MAP arbitration in your tax treaties?</li> </ul>	No	There are no legal limitations in our domestic law (Basic Law of Governance) to include arbitration in our tax.	-
b.	<ul style="list-style-type: none"> <li>Does your treaty policy allow you to include MAP arbitration in your tax treaties?</li> </ul>	No	-	-
24.	<p>Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available?</p> <p>If yes:</p>	Yes	The provisions of the domestic law, including those related to administrative and judicial remedies, are available at GAZT website. In addition, all tax treaties texts and any related materials are also available at GAZT website.	-
a.	<ul style="list-style-type: none"> <li>Does the guidance specifically address whether the competent authority considers that it is legally bound to follow a domestic court decision in the MAP or will not deviate from a domestic court decision as a matter of administrative policy or practice?</li> </ul>	Yes	-	-
25.	Are taxpayers allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years?	Yes	Taxpayers are allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years to the extent of timelines stipulated by the tax treaty.	-

**Saudi Arabia Dispute Resolution Profile – Resolution of MAP cases**

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
26.	Do all your jurisdiction's tax treaties contain a provision which would oblige your jurisdiction to make corresponding adjustments or to grant access to the MAP with respect to the economic double taxation that may otherwise result from a primary transfer pricing adjustment (i.e. is paragraph 2 of Article 9 of the OECD Model Tax Convention or the UN Model Double Taxation Convention included in all of your jurisdiction's tax treaties)?	Yes	-	-
27.	Is there any other information available on resolution of MAP cases?	No	-	-

## Saudi Arabia Dispute Resolution Profile – Implementation of MAP Agreements

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>D. Implementation of MAP Agreements</b>				
28.	Where the agreement reached by your competent authority through the MAP process leads to additional tax to be paid by your taxpayer, is there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for the additional tax to be paid?	Yes	Assessments for additional tax are processed as soon as possible and generally within 30 days of concluding a MAP case.	-
29.	Where the agreement reached by your competent authority through the MAP process leads to a refund of the tax due or paid by your taxpayer, are there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for a refund of the tax paid?	Yes	Tax refunds are processed as soon as possible and generally within 30 days of concluding a MAP case.	-
30.	Are all mutual agreements reached through MAP implemented notwithstanding any time limits in your domestic law?	Yes	Mutual agreements reached through MAP are implemented in accordance with the treaty provisions.	-
31.	Is there any other information available on the implementation of MAP agreements?	No	-	-