

# Indirect Tax Update

## NBR publishes FAQs regarding assessment review and appeal process

19<sup>th</sup> August 2020

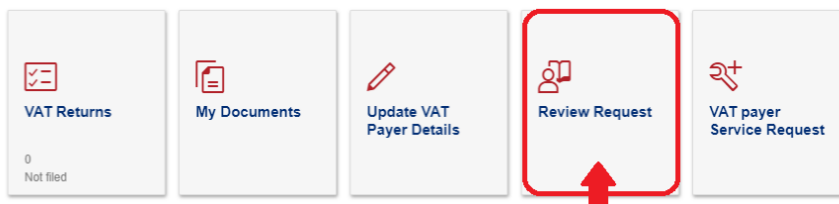
The NBR has recently updated its VAT Technical FAQs by including a section about the assessment review and appeal process. Below is a summary of the published FAQs for your reference:

### 1. Assessment

- An assessment is a process initiated by the NBR which affect the rights and obligations of the recipient. The following is a non-exhaustive list of possible assessment categories:
  - a. Assessment of the VAT amount due by a taxable person;
  - b. The imposition of administrative penalties;
  - c. The rejection of a VAT Registration; or
  - d. any other process undertaken by the NBR

### 2. Assessment review

- Where the recipient of an assessment has an objection on the content of the assessment issued by NBR, he may request the Reviews and Appeals Section at NBR to conduct a review of that assessment. The Reviews and Appeals Section is an internal department within the NBR responsible for reviewing any assessment issued by the NBR upon request.
- A review of an assessment is a reconsideration of the NBR assessment based on a review request submitted by the recipient of the assessment. The review will consider all the information available to the NBR on the matter subject to the assessment and the relevant provisions of the VAT Law and its Executive Regulations.
- The request must be submitted within 15 days of the assessment notification through the "Review Request" form available on the recipient of an assessment 's NBR Portal dashboard / homepage (*as illustrated below*)



**Note:** Settling the disputed amount is not a requirement for submitting a review request and no fees are applicable for the assessment review.

- A response from the NBR is expected to be issued within 30 days of submitting the request and may outline any of the following:
  - a. Whether the requestor is required to provide any additional information within a pre-defined deadline. Otherwise, a decision will be made based on the information already available to the NBR;
  - b. A request for an extension to the period that NBR expects to take to complete the review by an additional 30 days; or
  - c. A decision to uphold, amend or cancel the assessment under review.

**Note:** Where a response is not provided by the NBR within 30 days from submitting the assessment review request, the request may be considered as rejected whereby the original assessment stands.

### 3. Tax Appeals Review Committee

- Once an assessment decision or a decision for administrative fines from the NBR is issued, the recipient may file an objection to appeal against this decision. Such requests will be considered by the VAT Appeals Review Committee.
- The VAT Appeals Review Committee is an independent committee formed by Ministerial Resolution consisting of Accountancy and Legal subject matter experts. The committee was formed with the purpose of objectively and independently considering VAT appeals on decisions and procedures undertaken by the NBR.
- For the purpose of a tax appeal review request, an NBR Decision is considered as issued in the following events:
  - a. An assessment issued by the NBR after 15 days have elapsed without a request for review being made;
  - b. The decision following a review conducted by the Reviews and Appeals Section; or
  - c. An implied decision following the rejection of a request for review.
- An objection to appeal against an NBR decision must be submitted within 30 days from the date of notification of the NBR decision. Such request must be submitted via email to the VAT appeals review committee's email address [appealscommittee@nbr.gov.bh](mailto:appealscommittee@nbr.gov.bh)
- The request must include at least the following:
  - a. The appellant information including his Commercial Registration or Trading License details and the relevant NBR Decision reference number;
  - b. A letter, in Arabic, containing reason(s) and the legal basis for appealing against the NBR's decision. A supplementary English copy of the letter may also be submitted;
  - c. The VAT period to which the request for an objection or appeal relates;
  - d. Any supporting documents or information that the VAT appeals review committee need to consider; and
  - e. The email address of the appellant and/or their agent or representative, if applicable.

**Note:** Unlike an assessment review request, the appellant is required to pay the prescribed fees for an appeal together with any VAT and penalties assessed by the NBR prior to submitting the appeal.

If you have any questions regarding the NBR's assessment review and appeal process, please do not hesitate to [contact us](#).

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