
KINGDOM OF BAHRAIN

SIMPLIFIED VAT RETURN FILING MANUAL DURING TRANSITION PERIOD OF THE STANDARD VAT RATE CHANGE (APPLICABLE FOR VAT PERIODS 21DEC, 21Q4 AND ANNUAL 2021)

REQUEST AND FILING

DECEMBER 2021

VERSION 1.0

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1. MANUAL OVERVIEW

This manual aims to provide VAT payers with:

- 1) An overview of the VAT rules and procedures in Bahrain in relation to the process of changing between the two VAT return types – Full and Simplified
- 2) The necessary guidance needed to navigate the National Bureau for Revenue (NBR) online portal and process for VAT payers to change their VAT return type
- 3) The necessary guidance to help VAT payers navigate the NBR online portal and submit a simplified VAT return

This manual is intended to provide general information only and does not represent exhaustive or legally binding guidelines. For additional information, kindly refer to the “VAT Guidelines” on the NBR website using the following link: National Bureau for Revenue - Guidelines and Publications (nbr.gov.bh)

You can also contact NBR’s Contact Centre via email or the VAT hotline, details of which can be found under “[Contact us](#)” on the NBR website.



2. CHANGING FILING FORM

2.1. ELIGIBILITY

Starting from 2020, VAT payers who have less than BHD 100,000 in total annual supplies and who are not part of a VAT group may request to use the simplified VAT return. The simplified VAT return can be used by monthly, quarterly, or annually filers granted the above two criteria are met.

2.2. REQUEST PROCESS

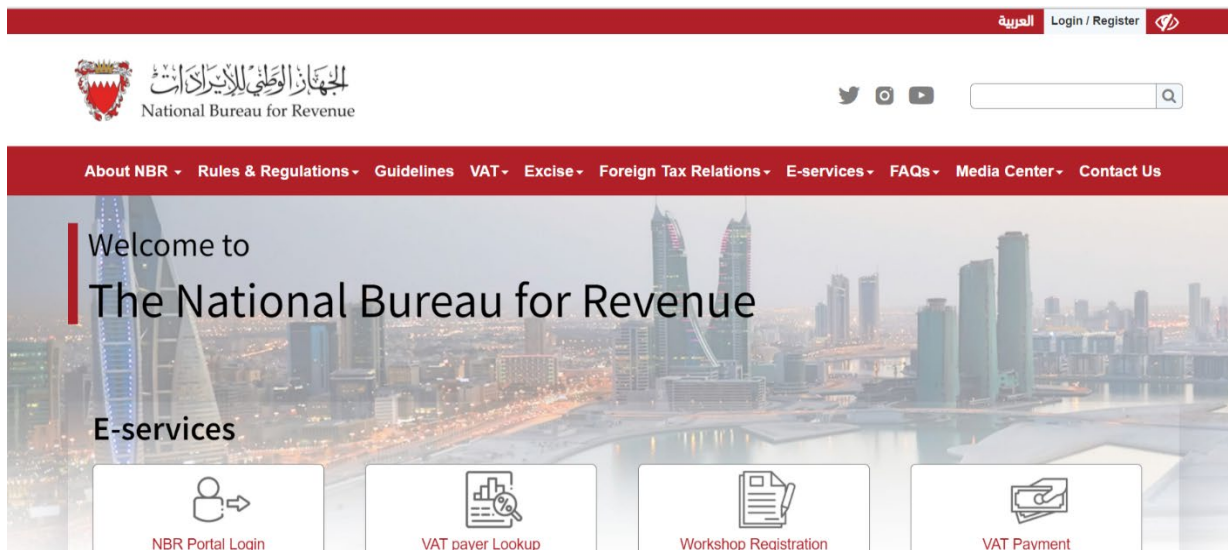
By default, every VAT payer has a full VAT return. To confirm your current VAT return type, you can access any active filing obligation which has not yet been submitted. Please access the “VAT Returns” tile on your VAT portal and filter your returns to “Not filed”.

All requests to change VAT return type should be submitted online using the NBR portal. Please refer to the steps below when requesting to change your VAT return type. While all eligible VAT payers will be able to switch to the simplified VAT return, NBR reserves the right to switch any VAT payers back to the full VAT return at any point of time, if deemed necessary.

2.3. Submitting the request to change the return type

Access the Login page on the NBR portal using the following link: <https://www.nbr.gov.bh/>. For an optimal experience, please note that the portal should be accessed via Google Chrome.

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Login

Please provide your User ID and Password to Login

User ID
User ID

Password
Password

Log In

Forgot your password? [Click here](#)

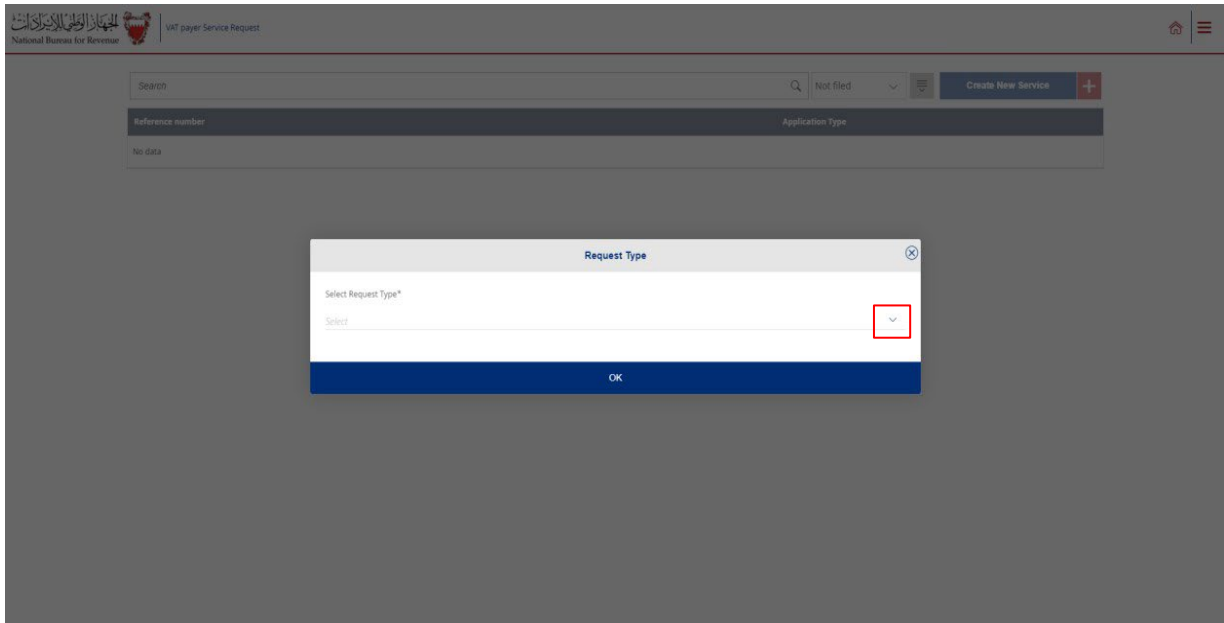
New User?

Welcome, please sign up here

Sign Up

 VAT Returns 0 Not filed	 My Documents	 Update VAT Payer Details	 Review Request	 VAT payer Service Request
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You will be redirected to the service requests page. If you have any open service requests, they will be displayed in this page. Please click on “Create New Service” and select the down arrow in the pop up to access the list of services provided by NBR.



In the drop-down list, please select “Change VAT Return Form Type” to access the application that would allow you to change the VAT return type.

You will be redirected to a page similar to the below. Kindly make sure to review your VAT payer details before choosing a preferred VAT return type. If you need to make any adjustments to these details, please proceed to “Update VAT Payer Details” on the homepage of the portal. For further assistance, please contact NBR through one of the contact channels stated on the NBR website.

Once you have reviewed your information and selected a VAT return type, please click on “Next Step”.

Change Return form Type

VAT payer details

VAT payer Legal Name : Company 75 Company 75

VAT payer TIN : 2035253368

VAT payer Account Number : 203525336800002
VAT payer

Choose Return form type

Simplified Return Form

Normal Return Form

Next Step

- I understand that for the purposes of this application form, total annual supplies refers to annual supplies (as defined in Article 34 of the Regulations), in addition to annual exempt supplies.*
- I confirm that I did not generate more than 99,999,999 BD of total annual supplies in the previous 12 months.*
- I do not expect to generate more than 99,999,999 BD of total annual supplies in the next 12 months. *
- I understand that I must revert back to the normal VAT return form as soon as it is identified that I have exceeded or expect to exceed the threshold of 99,999,999 BD of total annual supplies. Furthermore, I understand that failure to do so in a timely manner may result in the imposition of penalties. *
- I accept that the maximum value of total purchases that can be reported in one simplified VAT return form is 100,000 BD. Should I wish to exceed this value, then I must file using the full VAT return form.*
- I understand that when filing with the simplified VAT return form, the declared value of VAT paid on purchases will only relate to VAT which is fully recoverable.*

Previous Step

Submit

Acknowledgement

Thank you for submitting an application to change the type of your return form.

Name : VAT payer
Reference Number : 65000000194
Date : 10/03/2020

Form: 65000000194
submitted successfully

Once you have submitted your request, you will see a confirmation page stating that your request was successfully submitted.

2.4. Successful submission of the request

Once your request to use the simplified VAT return has been submitted, you should expect to receive a notification to your registered e-mail and phone number as well as a letter titled “Successful application to use the simplified VAT return form” under “My Documents” tile on the NBR portal.

Once successfully submitted, the request will be implemented and all current and future VAT returns which have not been yet filed will be switched to the simplified VAT return. Kindly note that VAT returns which have already been filed will remain unchanged and will still be displayed and can be amended using the full VAT return.



Reference Num : 650000000191 : الرقم المرجعي

Date of letter : 10/03/2020 : تاريخ الرسالة



الجهان الوطني للإيرادات
National Bureau for Revenue

Successful application to use the simplified VAT return form

نجاح طلب استخدام نموذج إقرار القيمة المضافة المبسط

VAT payer name: Amna co اسم الخاضع للقيمة المضافة:
VAT payer address: Flat/Shop No. 12, Building gfgf, Road/
Street gfgf, gfg, Block 232, Argentina عنوان الشخص الخاضع للقيمة المضافة:

F122, Manama, Bahrain

Dear Amna co,

Your application to use the simplified VAT return form has been successfully processed.

Your upcoming VAT period using the simplified VAT return form will begin on 01/01/2020 and end on 31/03/2020. Filing for this period will begin on 01/04/2020 and end on 30/04/2020.

Please note that if you no longer meet the conditions mentioned and acknowledged in the application form, you will be required to use the full VAT return form.

Please note that NBR retains discretion to revoke your eligibility to use the simplified VAT return form. You will be notified should this occur.

السادة Amna co,

تم معالجة إجراءات طلبك لاستخدام نموذج إقرار القيمة المضافة المبسط بنجاح.

وستبدأ فترة القيمة المضافة باستخدام نموذج إقرار القيمة المضافة المبسط في 2020/01/01 وستنتهي في 2020/03/31. وسيبدأ تقديم الإقرارات لهذه الفترة في 2020/04/01 وستنتهي في 2020/04/30.

وُرجى العلم أنه في حال لم تعد مستوفياً للشروط المشار إليها والمقر بها في نموذج الطلب، فسيُلزم قيامك باستخدام نموذج إقرار القيمة المضافة الكامل.

وُرجى العلم أن الجهاز الوطني للإيرادات يحتفظ بحقه في إلغاء أهليتك لاستخدام نموذج إقرار القيمة المضافة المبسط، وسيتم إخطارك في حال حدوث هذا الأمر.

For further information, please contact the National Bureau for Revenue on 80008001.

This document is extracted from the automated system and does not need to be signed.

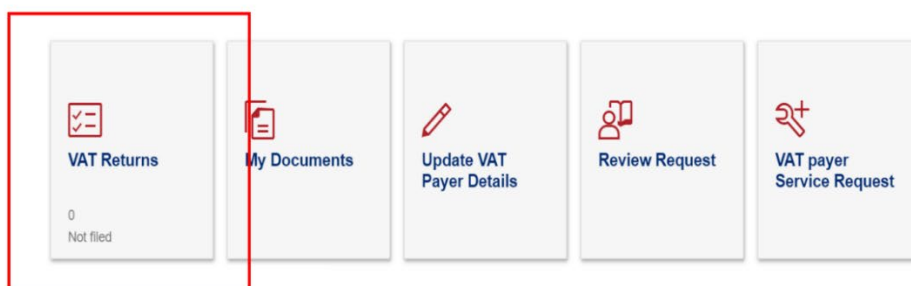
لمزيد من المعلومات، يرجى الاتصال بالجهاز الوطني للإيرادات على 80008001.

هذه الوثيقة مستخرجة من النظام الآلي ولا تحتاج للتوقيع.

3. SIMPLIFIED FILING PROCESS

Accessing the VAT return form

To file your VAT obligations, access the Login page on the NBR website using the following link: <https://www.nbr.gov.bh/>. Then log in to the portal using your designated User ID and Password (used during registration).



Proceed to access your outstanding filing obligations by clicking on “VAT Returns” on the homepage. The number displayed at the bottom of this push button (i.e. “1 not filed”) represents your outstanding filing obligations to be submitted to date.

Filter your “VAT Return Forms” by selecting “Not Filed” from the drop-down menu at the top right corner of the screen. To file the return, select the appropriate VAT return form from the list of outstanding filing obligations.



3.1. Filing in the VAT return form

After reviewing the conditions of submitting your VAT return, you must confirm that you agree with the instructions; only then you can move forward with the form. Please remember to save your progress by clicking the “Save Draft” button at the bottom right corner.

The screenshot displays the VAT return form interface. At the top left, the National Bureau for Revenue logo and name are visible, along with the form number 205000122325 and the period 21Q4. A navigation bar contains five items: 'Instructions' (active), 'VAT Payer Details', 'Simplified return form', 'Additional Information', and 'Summary'. Below the navigation bar, the 'Instructions' section is titled and contains a list of four instructions. A red box highlights a checkbox with a checkmark, followed by the text 'I declare that I have read, understood and agree to the instructions above'. At the bottom of the form, a dark blue navigation bar contains 'Previous Step' and 'Next Step' buttons, with a 'Save Draft' button highlighted by a red box.

Form Number 205000122325 - VAT Return Form for Period 21Q4

Instructions


Kindly read the below instructions before completing the return form



- Please fill the requested information for each step
- The form cannot be successfully submitted until all the mandatory requirements have been completed
- VAT payer should ensure that their existing VAT payer details are complete and up to date before filing their VAT returns
- Please refer to the [FAQ section](#) before filling out the return form

I declare that I have read, understood and agree to the instructions above

Previous Step Save Draft Next Step

You should then review and, where necessary, amend your VAT payer and return details before continuing with the form. If you need to make any adjustments to these details, please proceed to “Update VAT Payer Details” on the homepage of the portal. For further assistance, please contact NBR through one of the contact channels stated on the NBR website. If no information is to be amended, the accuracy of the information will have to be confirmed to move to the next section.


 Form Number 205000122325 - VAT Return Form for Period 21Q4

Instructions
VAT Payer Details
Simplified return form
Additional Information
Summary

VAT Payer Details

VAT payer ID Type: CPR/Identity Card No.
 VAT payer unique ID no: 24360360
 VAT payer legal name: Salman Salman
 VAT payer main address: 300 World Trade Center 10 Town 333 Bahrain
 VAT payer TIN: 2100142272
 VAT payer VAT account number: 210014227200002

VAT return details


VAT return type: 4th Quarter 2021
 VAT period starting: 01/10/2021
 VAT Period ending: 31/12/2021



confirm that the above information is correct and would like to proceed

Previous Step
Save Draft
Next Step

Upon accessing the simplified VAT return form, you will be required to answer the following question to display the VAT return form. It is important to note that response to the question will activate the required fields to report supplies at 10% VAT rate as per the transitional rules.

- Question 1: Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return?


 Form Number 205000122325 - VAT Return Form for Period 21Q4

Instructions
VAT Payer Details
Simplified return form
Additional Information
Summary

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return?*

Yes
 No

If you answer the question with “No”, then the existing return form will be displayed without changes. On the other hand, if “Yes” was selected fields related to 10% will be displayed.

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return? *

Yes No

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 5%	0.000 ?	0.000
1(b)	Standard rated sales at 10%	0.000 ?	0.000
2	Zero-rated (including exports)	0.000 ?	
3	Other & exempt sales	0.000 ?	
4	Total sales	0.000	0.000
5	Total purchases	1,000,000 ?	5,000 ?
6	Total VAT due for current period		45,000
7	Corrections from previous period (between BHD ±5,000)		5,000,000 ?
8(a)	VAT credit carried forward from previous periods)		0.000 ?
9	Net VAT due (or reclaimed)		5,045,000 ?
10	Late Payment Penalty		655,850

After answering the question, you will be able to fill in the “VAT Return Form” section using the appropriate amounts applicable to the return period. For additional guidance, click on the tooltips (question marks) and a hover box will appear to explain the line items.

VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare

Yes No

No.	Description	Amount	VAT Amount
1(a)	Standard rated sales at 5%		
1(b)	Standard rated sales at 10%	0.000 ?	
2	Zero-rated (including exports)	0.000 ?	

◆ Total amount of standard rated at 10% goods and services (excluding VAT paid) supplied during the current period that were sold in the Kingdom of Bahrain (incl. supplies to tourists), net of adjustments. Adjustments include return of goods and services by customers on which you have declared/paid VAT to NBR, supplies made to tourists under a VAT refunds for tourist scheme and refunded to the refund operator, bad debt write-off on standard rated receivables. Please refer to the [HTTP://WWW.NBR.GOV.BH/FAQ](http://www.nbr.gov.bh/faq) for the list of standard rated goods and services.

Please refer to the FAQs on <https://www.nbr.gov.bh/faq> or refer to Section 9 of the VAT Return Filing Manual for additional information regarding the VAT return. And for more information with regards to transitional rules please refer to VAT Rate Change Transitional Provisions Guide. Also, if needed, kindly contact NBR's Contact Centre for any further queries.

After filing your VAT return, you will be redirected to the “Additional Information” section (optional). Here you can submit supplementary information (e.g. invoices, payment information or customs declarations) to NBR. If deemed necessary, NBR reserves the right to request additional information. Note that if you are submitting a modification of your VAT return, you will be required to upload relevant documents.

The screenshot shows the 'Additional Information' section of the VAT Return Form for Period 20Q1. The page header includes the National Bureau for Revenue logo and the text 'VAT Return Form for Period 20Q1'. The user is logged in as 'Welcome VAT payer'. The navigation menu includes 'Instructions', 'VAT Payer Details', 'Simplified return form', 'Additional Information', and 'Summary'. A warning message states: 'Please note that no field can be empty, and all fields must be filled to continue. If you have no reported amounts for a specific field, you can type 0'. The 'Additional Information' section has a sub-section 'Additional notes' with a text area containing 'optional notes'. There is an 'Add attachment' button with a plus sign and a note: 'Prior to uploading the attachment, consider renaming the file in accordance to its content'. The footer contains 'Previous Step' and 'Next Step' buttons.

3.2. Submitting the simplified VAT return form

Once the return form is completed and you have agreed on the declaration, you will be able to review and submit your form. Note that if your draft form is not submitted within 45 days, it will be automatically erased from the portal.

Instructions | VAT Payer Details | Simplified return form | Additional Information | Summary

Summary

Terms and Conditions

- The information provided is, to the best of VAT payer's and authorized persons knowledge, true, correct and complete
- NBR holds the right to request and obtain financial or administrative information and records too verify the information provided in this return
- NBR holds the right to open an audit case to verify this return form and any previous forms. NBR can levy fines if applicable as per the Kingdom of Bahrain's VAT Law and Executive Regulations.
- VAT payer can submit a self-amendment if any corrections above BHD 5000 in total VAT due are required

Declaration

I the undersigned, certify that the information given on this return is, to the best of my knowledge, true, correct and complete. I am the person who is required to file this return, or I am authorized to sign on behalf of the VAT payer also that I will be charged penalties for submitting incorrect information

Previous Step | Submit

NBR acknowledges the successful receipt of your VAT return

Name : **Mathiyarora 53**

- Please retain this number for future reference and communication : **204999967362**

VAT Period: **01/01/2020 to 31/03/2020**

Receipt date: **24/02/2020**

You would receive acknowledgement and invoice details, if any, in a separate correspondence.
NBR reserves the right to further investigate your return form.

[Download Form](#)

If your Total VAT due + corrections from previous period is positive, then you are in an overall debit position. Please refer to section 6 of The VAT Return filing manual for additional information. Kindly note that if you have filed a debit return you should also receive a bill with a breakdown of your liability.

If your Total VAT due + corrections from previous period is negative, then you are in an overall credit position. Please refer to section 7 of The VAT Return filing manual for additional

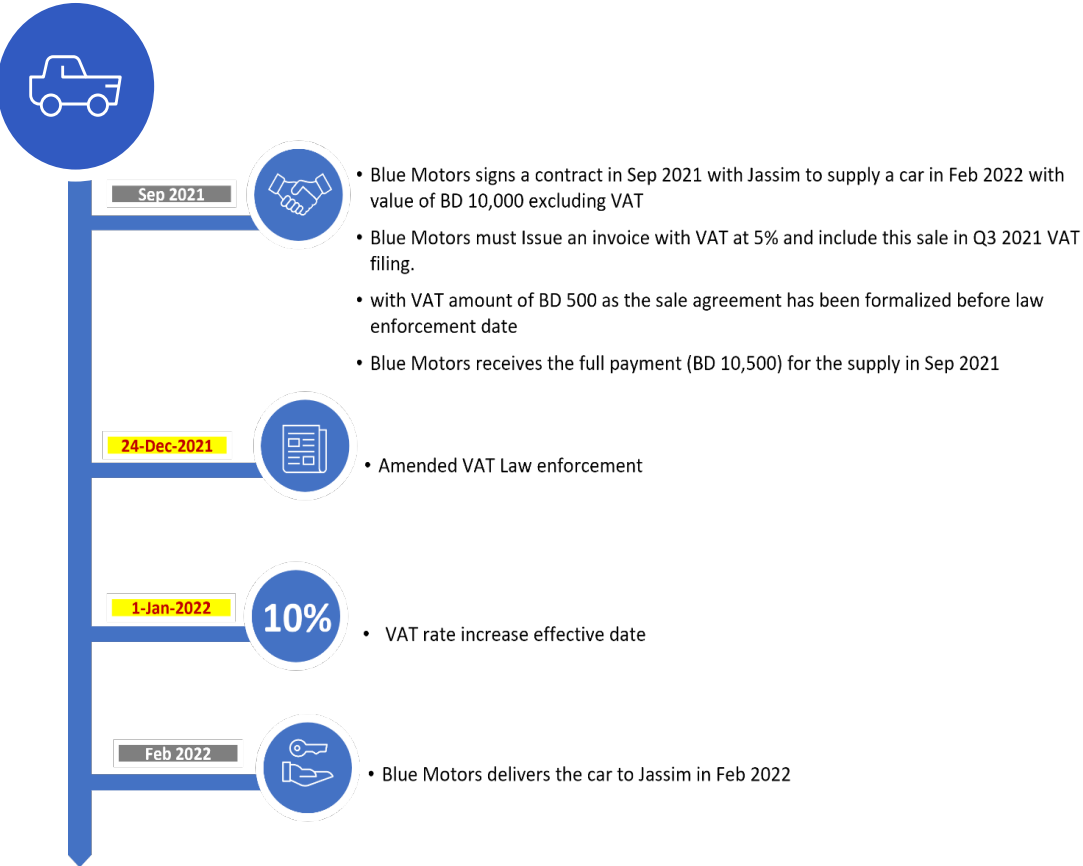
information. If you have excess credit from a previous period, and that credit was used to offset your filed debit (in full or in part), you should also expect to receive an offsetting letter under “My documents” on the portal.

4. SIMPLIFIED FILING SCENARIO EXAMPLES

Please refer to the following examples for a better understanding of how purchase and sale values can be recorded in the simplified VAT return.

4.1. Example 1: One-off supply formalized before law enforcement date:

The following scenario related to one-off supply with sales agreement which formalized between a quarterly filing VAT payer and their customer before law enforcement date and supply being made in 2022:



This is assuming no changes were made to the contract prior to the supply and law enforcement date

The "Simplified VAT Return Form" section of Blue Motors return filing form on the NBR portal will look as follows:

VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return? *

Yes No

Since the sale agreement formalized before law enforcement date and assuming no changes were made to the contract prior to the supply, the answer to Question 1 should be "No"

The issued invoice will be included in the in Q3 2021 VAT filing

No.	Description	(BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 5%	10,000.000	500.000
2	Zero-rated (including exports)	0.000	
3	Other & exempt sales	0.000	
4	Total sales	10,000.000	500.000

Blue motors will issue an invoice with VAT at 5%

Previous Step Save Draft Next Step

4.2. Example 2: One-off supply with sales agreement formalized between law enforcement date and effective date



The following scenario related to a one-off supply with sales agreement formalized between a quarterly filing VATP and their customer between law enforcement date and effective date, supply being made in 2022.

24-Dec-2021



- Amended VAT Law enforcement



- Furniture Co. signs a contract to supply a dining table to a customer in Mar 2022.
- The value of the dining table is BD 900 (Excluding VAT).

25-Dec-2021



- Furniture Co. must issue an invoice with VAT at 10% and include this sale in Q4 2021 VAT filing with VAT amount BD 90 as the contract was formalized after the Law enforcement date.
- Furniture Co. receives the full payment of BD 990 for the supply on 25 Dec 2021.

1-Jan-2022

10%

- VAT rate increase effective date

Mar 2022



- Furniture Co. delivers the dining table to the customer in Mar 2022.

The "Simplified VAT Return Form" section of Furniture Co. return filing form on the NBR portal will be as follows:

Instructions
VAT Payer Details
Simplified return form
Additional Information
Summary

VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return? *

Yes

No

Since the sale agreement was formalized between law enforcement date and effective date. The answer to Question 1 should be "Yes"

Furniture Co. must issue an invoice with VAT at 10%

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 5%	0.000 ?	0.000
1(b)	Standard rated sales at 10%	900.000 ?	90.000
2	Zero-rated (including exports)	0.000 ?	
3	Other & exempt sales	0.000 ?	

The issued invoice will be included in the in Q4 2021 VAT filing

Previous Step
Save Draft
Next Step

4.3. Example 3: Continuous supply with sales agreement formalized between law enforcement date and effective date:



The following scenario related to a continuous supply with sales agreement formalized between a quarterly VATP and their customer between law enforcement date and effective date, value based supply being made in 2021 to 2022:

24-Dec-2021



- Amended VAT Law enforcement

25-Dec-2021



- Build Co. signs a contract on 25 Dec 2021 to renovate an existing building over 12 months under standard rated treatment
- Build Co. agreed to raise an invoice every quarter
- Build Co. started the work under the contract

1-Jan-2022



- VAT rate increase effective date

Feb -2022



- Build Co. valued the services supplied under the contract from the date of signing to 31 Dec 2021 at BHD 1,000 (Excluding VAT).
- Build Co. valued the services supplied under the contract from 01 Jan 2022 to 25 Feb 2022 at BHD 2,000 (Excluding VAT).
- Build Co. will issue an invoice and apply VAT at 5% on the BHD 1,000 worth of services delivered before 1 Jan 2022 and VAT at 10% on the BHD 2,000 worth of services delivered after effective date and include this sale in Q1 2022 filing

The “Simplified VAT Return Form” section of Build Co. return filing form on the NBR portal will be as follows:

Instructions | VAT Payer Details | **Simplified return form** | Additional Information | Summary

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return? *

Yes No

Since the sale agreement was formalized between law enforcement date and effective date. The answer to Question 1 should be “Yes”

Build Co. will issue an invoice and apply VAT at 5% on the BHD 1,000 worth of services delivered before 1 Jan 2022

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 5%	1,000.000 ?	50.000
1(b)	Standard rated sales at 10%	2,000.000 ?	200.000
2	Zero-rated (including exports)	0.000 ?	
3	Other & exempt sales	0.000 ?	
4	Total sales	3,000.000	250.000
5	Total purchases	0.000 ?	0.000 ?

The issued invoices will be included in the next Q1 filing period

Build Co. will issue an invoice and apply VAT at 10% on the BHD 2,000 worth of services delivered After 1 Jan 2022

5. FREQUENTLY ASKED QUESTIONS (FAQs)

Who is eligible to change the full VAT return type to a simplified VAT return?

VAT payers who meet the following conditions can request to change to simplified VAT filing:

- VAT payer must not be registered for VAT purposes as a VAT group
- Annual supplies made by the VAT payer should be below BHD 100,000

The simplified VAT return can be used by monthly, quarterly, or annually filers subject to meeting the above two criteria. Please note that changing to simplified filing is not a mandatory requirement set by NBR.

How do I apply for simplified VAT return filing?

All requests to change VAT return type form should be submitted online using the NBR portal. Please refer to the steps below when requesting to change your filing form type:

- Log in to the portal using the User ID and Password of the account for which you would like to change the filing form type. This is the same User ID and password you use during registration and filing.
- Click on “VAT Payer Service Request” tile on the homepage.
- You will be redirected to the service requests page. If you have any open service requests, they will be displayed in this page. Please click on “Create New Service” and select the down arrow in the pop up to access the list of services provided by NBR.
- In the drop-down list, please select “Change VAT Return Form Type” to access the change return form type application.
- Kindly make sure to review your VAT payer details before choosing a preferred return form type. If you need to make any adjustments to these details, please proceed to “Update VAT Payer Details” on the homepage of the portal. For further assistance, please contact NBR through one of the contact channels stated on the NBR website. Once you have reviewed your information and selected a return type, please click on “Next Step”.
- If you are not eligible to apply for a simplified VAT return, you will be notified via a popup message. If you are eligible to apply, you will be redirected to the next page where you must agree to and acknowledge all the statements.
- Once you have submitted your request, you should expect to see a confirmation page stating that your request was successfully submitted.

Please note: While all eligible VAT payers will be able to switch to the simplified VAT return, NBR reserves the right to switch back any VAT payers to the full VAT return at any point of time.

After successful processing of the request, when will the simplified VAT return filing be effective?

After the application has been successfully submitted, you should expect to receive a notification on your registered e-mail and phone number as well as a letter titled “Successful application to use the simplified VAT return form” under “My Documents” on the NBR portal.

Once successfully submitted, the request will be implemented and all current and future VAT returns which have not been yet filed will be switched to the simplified VAT return. Kindly note that VAT returns which have already been filed will remain unchanged and will still be displayed and/or amended using the full form.

What is the deadline to submit a request to change to simplified VAT return filing?

There is no deadline to choose simplified VAT return filing. As long as you meet the conditions, you can opt for simplified VAT return filing anytime on the NBR portal.

Can I switch back to the full VAT return form after choosing the simplified VAT return form?

You can switch back to the full VAT return form at any point of time, should you choose so. You are also allowed to switch again to simplified VAT return form at later stage, however there shall be a waiting period of one year from the previous change.

How do I file a simplified VAT return?

The overall process to file your VAT obligations using the simplified VAT return is similar to the process of filing the full VAT return. Please refer to section 3 of this guide for further details and guidance.

How do I report adjustments on the simplified VAT return?

There is no specific column for reporting adjustments on the simplified VAT return. Instead, all fields on the simplified VAT return should be reported net of adjustment. For example, if a VAT payer has 10,000 BHD of standard-rated sales in 2020 Q1 and needs to make an adjustment of 2,000 BHD to their 2019 Q4 VAT return, then the VAT payer should report 8,000 BHD of standard-rated sales in 2020 Q1 when using the simplified VAT return. This differs from the full VAT return, where the VAT payer would need to report 10,000 BHD of standard-rated sales and 2,000 BHD of adjustments to standard-rated sales in separate fields. Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating both the gross amounts and the adjustments made.

How do I report zero-rated and / or exempt purchases on the simplified VAT return?

Zero-rated and exempt purchases should be included within the field 'Total purchases'. Note that only deductible VAT related to your standard rated purchases and imports will be reported in the VAT field.

How do I account for apportionment on the simplified VAT return?

There is no specific column for apportionment on the simplified VAT return. Instead, the VAT payer should only report deductible VAT paid on the field for 'VAT amount' on purchases.

For example, a VAT payer made 10,000 BHD of purchases in 2020 Q1, on which the VAT payer paid 500 BHD of VAT. Of this VAT 300 BHD was deductible. The VAT payer would report 10,000 BHD in the field for 'Total purchases' and 300 BHD in the field 'VAT amount' on purchases if using the simplified VAT return. Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating the apportionment calculation made.

How do I report standard-rated sales to a domestic purchaser who applies the domestic reverse charge mechanism?

Standard-rated sales made to a domestic purchaser who has the right granted by NBR (supported by a valid certificate) to apply the Domestic Reverse Charge Mechanism should be reported in the field 'Other & exempt sales'. Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating these sales.

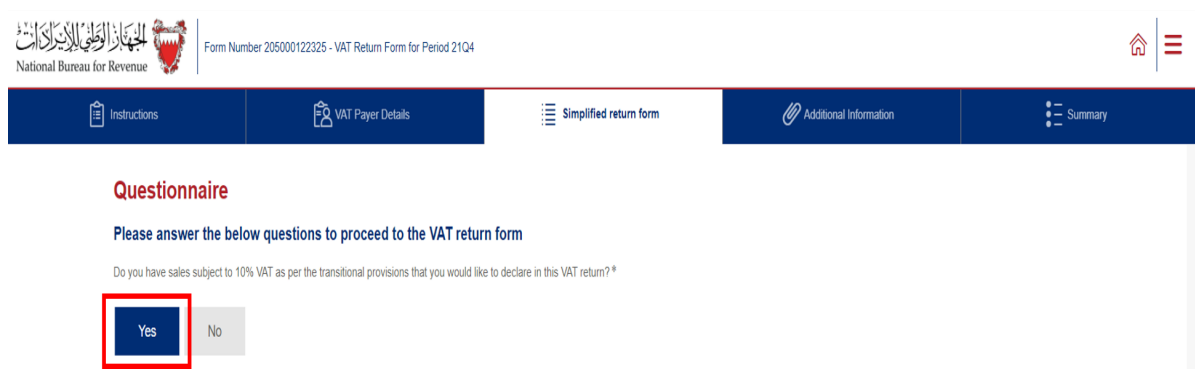
How do I report exports on the simplified VAT return?

Exports should be reported in the field 'Zero-rated (including exports)'.

Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating the value of their exports. **In accordance with the transitional provisions, what are the procedures for submitting VAT return form if I made sales, purchases and imports subject to 10%?**

With regards to the change in VAT standard rate, an additional step has been added to the VAT return form. You will need to answer the questionnaire before proceeding to the VAT return form and based on your answers, certain fields to report the transaction made at 10% will be displayed in the VAT Return form.

For more details and information please refer to VAT Rate Change Transitional Provisions Guide.



The screenshot shows the National Bureau for Revenue (NBR) VAT Return Form for Period 21Q4. The form is titled "Form Number 205000122325 - VAT Return Form for Period 21Q4". The navigation menu includes "Instructions", "VAT Payer Details", "Simplified return form", "Additional Information", and "Summary". The current step is "Questionnaire".

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 10% VAT as per the transitional provisions that you would like to declare in this VAT return?*

Yes No

