

PENALTIES UNDER VAT IN KSA

VIOLATION

PENALTY

TAX EVASION

Submitting false, forged or artificial documents, declarations, registers or information with the intent to evade the payment of tax due, reducing its value or unlawfully obtaining refunds for tax

Not less than the amount of tax due and not more than three times the value of the goods or services

Entering or attempting to enter KSA or remove goods or services from KSA, in violation of the applicable laws, without paying the tax in whole or in part

OTHER VIOLATIONS

Person who has not applied for registration within the specified period

SAR 10,000

Person who files an incorrect tax return, amends a tax return after filing or files any document in relation to the tax due from him, resulting in an amount that is less than the tax due

50% of the value of the difference between the calculated tax and the tax due

Person who fails to submit a tax return within the specified period

Not less than 5% and not more than 25% of the value of the tax due

Person who fails to pay the tax due during a specified period

5% of the value of the unpaid tax for each month or part thereof for which the tax has not been paid

A non-registered person issuing a tax invoice

SAR 100,000 or less

A person who has not kept tax invoices, books, records and accounting documents for the specified period

SAR 50,000 or less per tax period

A person who prevents or obstructs GAZT (General Authority of Zakat and Tax) employees from performing their duties

SAR 50,000 or less

Violation of any other provision of the VAT regulations or the VAT law

SAR 50,000 or less