

## Saudi Arabia Dispute Resolution Profile

(Last updated: 8 March 2023)

### General Information

- Saudi Arabia's tax treaties are available at:

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

- MAP request should be made to:

1. Abdullah A. Alfuntukh, Vice Governor Strategy and Development, Zakat, Tax and Customs Authority; [MAP@zatca.gov.sa](mailto:MAP@zatca.gov.sa); Phone: +966112893149
2. Wassal M. Almalki, International Relations & Treaties General Manager, ZATCA; [walmalki@zatca.gov.sa](mailto:walmalki@zatca.gov.sa); Phone: +966114342774
3. Osama Alzuhymeel, Chief, International Affairs, ZATCA; [zuhymeeloa@zatca.gov.sa](mailto:zuhymeeloa@zatca.gov.sa); Phone: +966114349364.

#### **Competent Authority Postal Address:**

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

Also see:

[https://zatca.gov.sa/ar/eServices/Pages/eServices\\_93.aspx](https://zatca.gov.sa/ar/eServices/Pages/eServices_93.aspx)

<https://zatca.gov.sa/en/HelpCenter/guidelines/Documents/Request%20for%20Mutual%20Agreement%20Procedure%20%E2%80%93%20Taxpayer%20guidance%5B3%5D%5B1%5D.pdf>

- 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 Zakat, Tax and Customs Authority (ZATCA) website.	<a href="http://www.zatca.gov.sa">www.zatca.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?	Yes	Yes, educational material to enhanced communication with our taxpayer.	-

#### 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?	Yes	<p>The published MAP Guidance states that any person, resident of either Contracting State that considers that the actions of either Contracting State will lead or may lead for him in taxation not in accordance with the provisions of the relevant double tax treaty, may irrespective of the remedies provided by the legislations of the Contracting States, present his case to ZATCA.</p> <p>The Saudi Competent Authority considers the above provision applicable to inter alia requests relating to the application of domestic or treaty anti-abuse provisions. Therefore, though</p>	-

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			the Competent Authority has not received such a case to date, it will grant access to MAP if it receives such a case.	
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	-	-
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.  In Saudi Arabia, in addition to the Mutual Agreement	-

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			<p>Procedure (MAP) under tax treaties, there are two domestic recourses to solve tax disputes between taxpayers and the tax administration. The two domestic recourses are the Settlement Committee and the General Secretariat of Tax Violations and Disputes Resolution Committees, the latter being the judicial recourse.</p> <p>In order for the Settlement Committee to process a taxpayer's request, the taxpayer has to suspend or freeze the process of the case at any other recourse, i.e. the judicial recourse or the MAP. The Settlement Committee's decision is not binding. If the taxpayer does not accept the proposed resolution, he may resume any other available recourse.</p> <p>With respect to the relation between the MAP and the two</p>	

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s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			<p>domestic recourses, a MAP process can be initiated simultaneously alongside domestic recourses. However, if a taxpayer makes a MAP request for a case being considered at a domestic recourse, the taxpayer has to request a freeze or suspension of the case at the relevant domestic recourse in order for the case to be reviewed by the MAP Competent Authority.</p> <p>This notification is in accordance with the FTA MAP Forum recommendation that we should notify our treaty partners about the existence of dispute settlement process.</p>	



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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
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	<p>1. ZATCA provides publicly information that is of concern to taxpayers or categories of taxpayers to enable them to comply with their obligations.</p> <p>2. ZATCA has formed the Mutual Agreement Procedure Committee to review MAP cases and recommend proper position. The Committee comprises of people qualified and experienced in international taxation and tax laws. It has no representation from tax policy or audit functions. The Committee is fully independent and reports</p>	<p>The MAP Guidance may be accessed at: <a href="https://zatca.gov.sa/en/eServices/Pages/eServices_93.aspx">https://zatca.gov.sa/en/eServices/Pages/eServices_93.aspx</a> and at <a href="https://zatca.gov.sa/en/HelpCenter/guidelines/Documents/Request%20for%20Mutual%20Agreement%20Procedure%20%E2%80%93%20Taxpayer%20guidance%5B3%5D%5B1%5D.pdf">https://zatca.gov.sa/en/HelpCenter/guidelines/Documents/Request%20for%20Mutual%20Agreement%20Procedure%20%E2%80%93%20Taxpayer%20guidance%5B3%5D%5B1%5D.pdf</a></p>

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			<p>to the Governor of the Zakat, Tax and Customs Authority (ZATCA) in his capacity as the Competent Authority, after being authorized by the Minister of Finance who is the Competent Authority to act for him.</p> <p>3. Publication of guidance for taxpayers on application for MAP requests– Request for Mutual Agreement Procedure – Taxpayer Guidance. The Guidance contains all information taxpayers need to know in order to apply for MAP; it meets the requirements of the BEPS Action 14 Peer review-Making Dispute Resolution Mechanisms More Effective.</p>	
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	-	-

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
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	-	
18.	Is there any other information available on availability and access to MAP?	Yes	Yes, Publication of guidance for taxpayers on application for MAP requests– Request for Mutual Agreement Procedure – Taxpayer Guidance. The Guidance contains all information taxpayers need to know in order to apply for MAP; it meets the requirements of the BEPS Action 14 Peer review-Making Dispute Resolution Mechanisms More Effective.	<a href="https://zatca.gov.sa/en/eServices/Pages/eServices_93.aspx">https://zatca.gov.sa/en/eServices/Pages/eServices_93.aspx</a> and at <a href="https://zatca.gov.sa/en/HelpCenter/guidelines/Documents/Request%20for%20Mutual%20Agreement%20Procedure%20%E2%80%93%20Taxpayer%20guidance%5B3%5D%5B1%5D.pdf">https://zatca.gov.sa/en/HelpCenter/guidelines/Documents/Request%20for%20Mutual%20Agreement%20Procedure%20%E2%80%93%20Taxpayer%20guidance%5B3%5D%5B1%5D.pdf</a>

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found

## 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?	Yes	<p>A) The taxpayer should submit its MAP request with (3) years of the First notification of actions resulting in taxation not in accordance with the treaty.</p> <p>B) ZATCA shall notify the taxpayer and the other CA of the receipt of the request within (4) weeks.</p> <p>C) The other CA should confirm that it has received the notification within one week.</p> <p>D) The case accepted by ZATCA as being valid and cannot be solved unilaterally (by ZATCA) should be completed in consultation with the other CA within 24 months from the “start date”; which is 1 week after notification of the MAP case to the other competent authority by ZATCA or 5 weeks after the receipt of the MAP request, whichever is the earlier date, except: where</p>	-

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			ZATCA receives a MAP request that does not include all the information and documentation required and requests such information within 2 months from the receipt of the MAP submission, in which case the start date shall be the date above-mentioned or the date when such missing information is received by ZATCA whichever is the later date.	
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	Yes	Yes, made available to the OECD.	-
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	ZATCA organization book that lists among other things roles and responsibilities of all ZATCA units, including MAP office, is available to anybody who has interest in having access to it.	-

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
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.	-
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.	Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available? If yes:	Yes	Yes, MAP competent authority will adhere to any final juridical decision regarding the MAP case.	-
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	-

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

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			of timelines stipulated by the tax treaty.	
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	-	-