

VAT impact on your policy



VAT STARTS 16/4/2021

VAT is applicable on most goods & services bought after 16/4/2021.



INSURANCE IS DIFFERENT

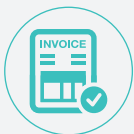
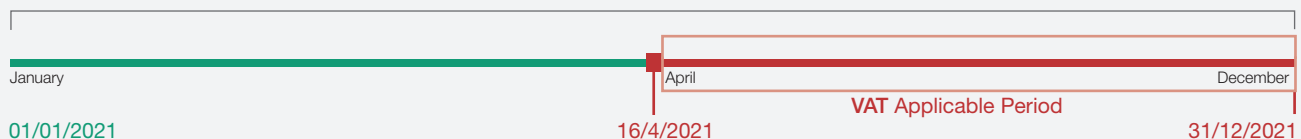
The law considers insurance as a service provided for a specified period of time (continuous supply).



PRO RATA CALCULATION

The 5% tax is calculated on the period beginning from 16/4/2021 until the end of the contract on a pro rata basis.

Policy Period Jan 2021- Dec 2021



VAT INVOICE

If your contract starts before 16/4/2021, you will receive an invoice post VAT go live.



THINKING ABOUT COST?

In most cases, this will not be an additional cost for your company.



HOW TO COMPENSATE!

You will be able to deduct it as 'input VAT' and pay less to the tax authorities.



WHERE WILL THE MONEY GO?

All the VAT amount collected will be sent to the Oman Tax Authority.



THANK YOU!

For being a cooperative partner and helping us to fulfil our obligation to the Oman Tax Authority.

