



01 November 2018

شركة وكالة الخليج (البحرين) ذ.م.م.

Gulf Agency Co. (Bahrain) W.L.L.

P.O. Box: 412

Building 1995, Road 1527

Area Hidd 115

Bahrain Investment Wharf

Kingdom of Bahrain

Tel : +973 17 339 777

Fax : +973 17 320 498

E-mail : bahrain@gac.com

Web : www.gac.com

VAT Circular to Debtors and Creditors

Subject: Implementation of Value Added Tax law in Kingdom of Bahrain

Reference: Decree-law No. (48) of the year 2018 on Value added tax

Dear Valued Business Associate,

We wish to hereby inform that the rules and regulations as laid in the above referred law will govern our mutual business transactions as from the effective date, which is set to commence from 1st January 2019.

Gulf Agency Company (Bahrain) WLL will proceed with VAT registration since it falls under the ambit of Article 29 of Decree Law 48; which stipulates Mandatory Registration Threshold of SAR 375,000.00 (Equivalent BHD 37,500) in accordance with the Common VAT Agreement of the States of the Gulf Cooperation Council (GCC),

Accordingly, we wish to advise you that all our current contracted rates, charges, tariff, quotes and billing to yourselves are exclusive of VAT and that the VAT tax will be applied (over and above our contracted rates) as stipulated and as applicable by the Decree Law for our services from the effective date of the law; which is set to commence from 1st January 2019.

In view of the above, GAC Bahrain is legally obliged to charge VAT on its sales under the proclaimed VAT law starting from 1st January 2019. In order to avail the provision of "input tax deduction" per article 42 of the Decree Law, for all our mutual business transactions, you are hereby advised to adhere with VAT registration guidelines as set by Ministry of Finance for your companies registered in Kingdom of Bahrain.

In compliance with the above-mentioned, we hereby request you to submit your VAT registration certificate prior to the implementation date of 1st January 2019; to incorporate the same in all our mutual business transactions.

Regards

Managing Director

Gulf Agency Co. (Bahrain) W.L.L.



ISO 9001
ISO 14001 / OHSAS 18001
BUREAU VERITAS
Certification



"All Business is undertaken subject to our Standard Trading Conditions of Carriage, which are incorporated into all contracts of carriage to which we are a party. Our Standard Trading Conditions are available from our offices on request."

CR No. 271
Issued and paid up capital: BD 100,000/-
Banks: HSBC Bank Middle East,
Kingdom of Bahrain