

Saudi Arabia

Summary of CbC Reporting and Transfer Pricing Documentation Rules

Country-by-Country Report

[CbC rules apply to entities subject to the income tax law and entities subject to Zakat]

- Effective Date: Fiscal years ending on or after December 31, 2018.
- Filing Threshold: Saudi Arabian MNEs with annual consolidated revenue exceeding SAR 3.2 billion in the preceding year.
- Local Filing: A Saudi Arabian constituent entity will be required to file a CbC report if certain conditions are met.
- Information Reported: Generally consistent with OECD guidance.
- Language: Arabic or English.
- Forms/Filing Instructions (see Bloomberg Tax International Tax Forms database):
 - CbC Notification of Reporting Entity: Filed electronically with the income tax return.
 - CbC Report: Filed electronically via the GAZT AEOI portal.
- Deadline for Filing Notification of Reporting Entity: Within 120 days after the end of the reporting year (i.e., with the tax return).
- Deadline for Filing CbC Report: Within 12 months after the end of the reporting year.
- Penalties: General tax penalties may apply for non-compliance.
- Exchange of Information:
 - MCAA CbC: signed.

For a schedule of CbC report and CbC notification deadlines (by country), please see [CbC Reporting Deadlines](#).

Master File

- Effective Date:
 - Taxpayers: Fiscal years ending on or after December 31, 2018.
 - Zakat payers: Fiscal years beginning on or after January 1, 2024 ([Decision No. 8-2-23](#)).
- Filing Threshold:
 - Taxpayers: Taxpayers with an aggregate arm's-length value of related party transactions of SAR 6 million or more in a 12-month period.
 - Zakat payers (additional guidance expected):
 - From fiscal years beginning on or after January 1, 2024, Zakat payers with an aggregate arm's length value of related party transactions less than SAR 100 million are exempt from master file requirements. Investment funds are also exempt.
 - From fiscal years beginning on or after January 1, 2027, Zakat payers with an aggregate arm's length value of related party transactions less than or equal to SAR 48 million are exempt from master file requirements.
- Information Reported: Generally consistent with OECD guidance.

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- Language: Arabic (to the extent reasonably possible). Tax authorities may request a translation to Arabic.
- Deadline for Submission: Generally, within 30 days of a request by the tax authorities.
- Penalties: General tax penalties may apply for non-compliance.

Local File

- Effective Date:
 - Taxpayers: Fiscal years ending on or after December 31, 2018.
 - Zakat payers: Fiscal years beginning on or after January 1, 2024 ([Decision No. 8-2-23](#)).
- Filing Threshold:
 - Taxpayers: Taxpayers with an aggregate arm's-length value of related party transactions of SAR 6 million or more in a 12-month period.
 - Zakat payers (additional guidance expected):
 - From fiscal years beginning on or after January 1, 2024, Zakat payers with an aggregate arm's length value of related party transactions less than SAR 100 million are exempt from local file requirements. Investment funds are also exempt.
 - From fiscal years beginning on or after January 1, 2027, Zakat payers with an aggregate arm's length value of related party transactions less than or equal to SAR 48 million are exempt from local file requirements.
- Information Reported: Generally consistent with OECD guidance.
- Language: Arabic (to the extent reasonably possible). Tax authorities may request a translation to Arabic.
- Deadline for Filing: Generally, within 30 days of a request by the tax authorities.
- Penalties: General tax penalties may apply for non-compliance.

General Transfer Pricing Documentation

Taxpayers not meeting the master file/local file threshold should maintain general contemporaneous documentation to confirm that the conditions of the controlled transactions are arm's length. The general documentation should provide information available regarding the controlled transactions; the related parties involved; and how the price of the controlled transactions is calculated.

For fiscal years beginning on or after January 1, 2024, the general transfer pricing documentation requirements also apply to Zakat payers (Decision No. 8-2-23). Additional guidance expected.

Transfer Pricing Disclosure

All taxpayers must submit an annual disclosure form of controlled transactions and an auditor's certificate stating that a MNE's transfer pricing policy is consistently applied by the taxpayer. The disclosure form and certificate must be filed within 120 days after the end of the fiscal year (generally with the income tax return). Taxpayers must also disclose in the tax return whether a master file and local file have been maintained. General tax penalties may apply for non-compliance.

For fiscal years beginning on or after January 1, 2024, the transfer pricing disclosure requirements also apply to Zakat payers (Decision No. 8-2-23). Additional guidance expected.

Reference Materials

[Transfer Pricing Guidelines](#) – Zakat, Tax and Customs Authority, Third Edition November 2021.