

Are you checking your Dhareeba regularly? The Dhareeba Guardian Program

Overview

The General Tax Authority (GTA) in Qatar has gained unprecedented access to data and information through Income and Withholding Tax Returns, Transfer Pricing Declarations, Contracts Declared and other information provided by taxpayers on Dhareeba. As a result, taxpayers have been receiving audit clarifications as well as notices of tax assessments for additional taxes and financial penalties.

The period of statute of limitation during which the GTA can issue queries and assessments is five years. This period can be extended to ten years in exceptional cases. However, in some cases, the GTA has been trying to go beyond this statute of limitation.

In addition to the above, development in international and regional tax reform has led the GTA to implement the following changes:

- 01** Issuance of regular circulars and guidelines revising certain requirements (i.e., information required for tax returns and tax registration applications)
- 02** Intensification of the assessment process by raising detailed inquiries around tax returns and conducting field inspections when necessary
- 03** Request for granular details to support the taxable profits and losses reported in the tax returns
- 04** Increase in penalties for non-compliance and introduction of new penalties
- 05** Establishment of a Taxpayer Services Department and a Revenue Protection and Control Department to strengthen tax collection

Dhareeba portal

The GTA's Dhareeba portal is considered the official comprehensive tax administration gateway. In recent times, we have seen that taxpayers have not received any email or SMS notifications, even though the normal Dhareeba setting is set up to send notifications via email and SMS as soon as the GTA issues a new message or correspondence. According to GTA, taxpayers should periodically check their Dhareeba portal to see if there are any communications that need their attention.

The importance of checking your Dhareeba

The amount assessed by the GTA may represent a significant cost for the business if a taxpayer missed to communicate with the GTA within the required timeframe. Further, objections and disputes with the GTA are also time-consuming processes that require allocation of additional budgets and resources. Some of the impacts of these assessments are listed below:

1

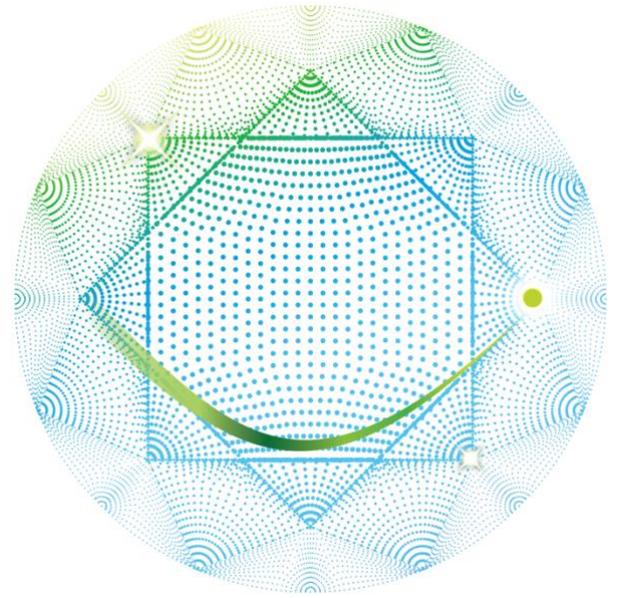
Assessment of presumptive tax assessments and additional tax payments and penalties.

2

Additional costs to be incurred, due to the time spent by various internal teams to identify the underlying circumstances

3

Litigation and related potential consultancy fees to be incurred, among other costs



Response timeframe and other key considerations

Once the GTA sends an inquiry letter to the taxpayer, the taxpayer has **20 days only** to respond. If the taxpayer is unable to provide the requested information within the response period, the GTA can finalise the assessment on presumptive basis or may disallow certain expenses or costs. This may result in additional taxes and financial penalties. Therefore, taxpayers should:

- Prepare to manage potential tax inquiries, which have become more complex
- Be ready to provide the necessary information during a short time frame (20 days)
- Ensure readiness for potential examination, considering that multiple issues might arise and can complicate the preparation and management of these examinations (volume and scope of inquiries, number of years for which the inquiry is raised, etc.)
- Consider potential tax reform initiatives and increased sophistication of the tax regime, which might require the business to reassess ongoing historical tax risks and establish a tax governance framework

How can Deloitte help?

Deloitte has developed a subscription program called **Dhareeba Guardian Program** to support businesses in Qatar by providing a holistic review of the taxpayer's Dhareeba account. In essence, our team will check on the Dhareeba account and communicate with all relevant stakeholders any critical communication received along with a response strategy.

The aim of the program is to check the Dhareeba regularly to see if any communication requires the attention of the taxpayer, identify potential tax issues in the operations of a taxpayer, and opportunities for mitigating such exposures. This is in addition to identifying potential tax and working efficiency opportunities.

Contacts

Our Tax team based in Qatar has thorough experience supporting clients during their tax needs. For further information on the **Dhareeba Guardian Program** and **how to sign up for the program**, please contact one of our experts listed below:

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