



Value Added Tax

End-to-end solutions for
your business needs

skpgroup.com

Introduction

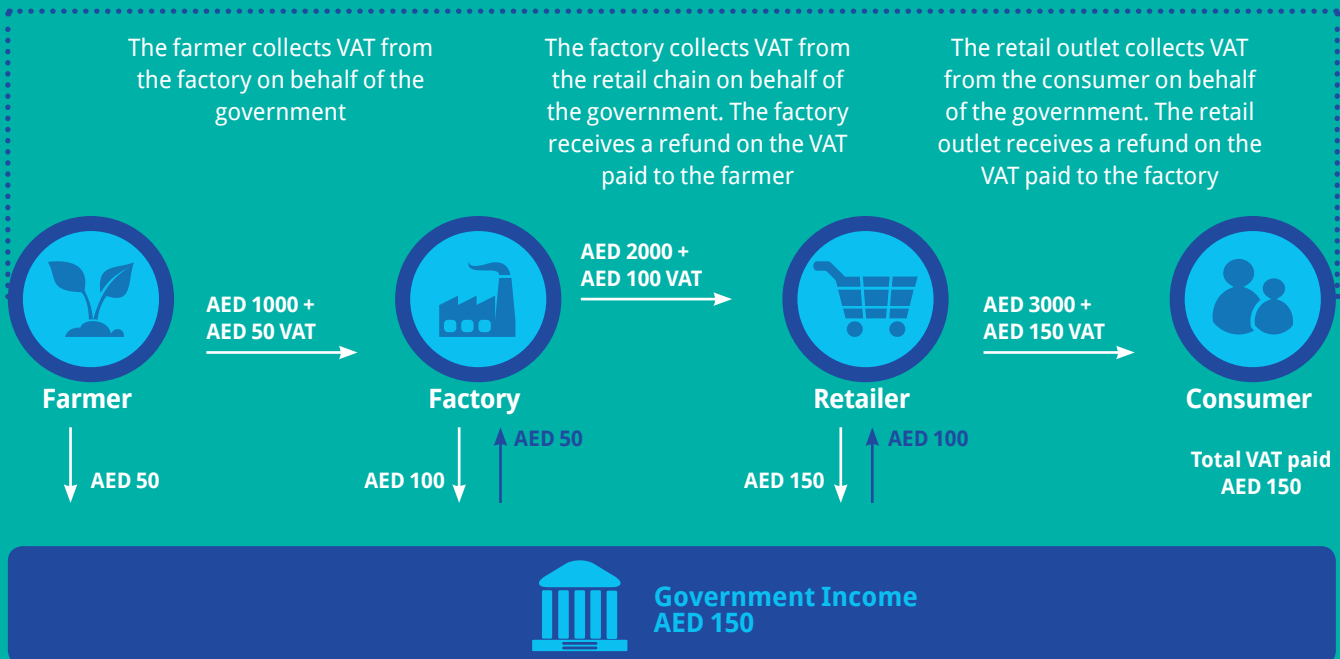
Upon adhering to the recommendations of the International Monetary Fund (IMF), the Gulf Co-operation Council (GCC) countries (i.e. UAE, Oman, Saudi Arabia, Kuwait, Qatar and Bahrain) have agreed 'in principle' to the GCC VAT Agreement to levy common indirect taxes in the GCC region. The increased indirect tax revenue will help GCC countries continue to provide high quality public services while reducing their dependence on oil and other hydrocarbon products as a source of revenue.

The advent of GCC VAT in the Gulf region is likely from 1 January 2018 and this would cause a paradigm shift in the business dynamics of this region. Like many other countries across the world, businesses in the Gulf will now have to adhere to stringent VAT regulatory and statutory compliances and report the same on a periodic basis. The challenge for the business community in the Gulf will be to understand this new Law and plan ahead of time to adapt to this transitional business change.

How does VAT work?

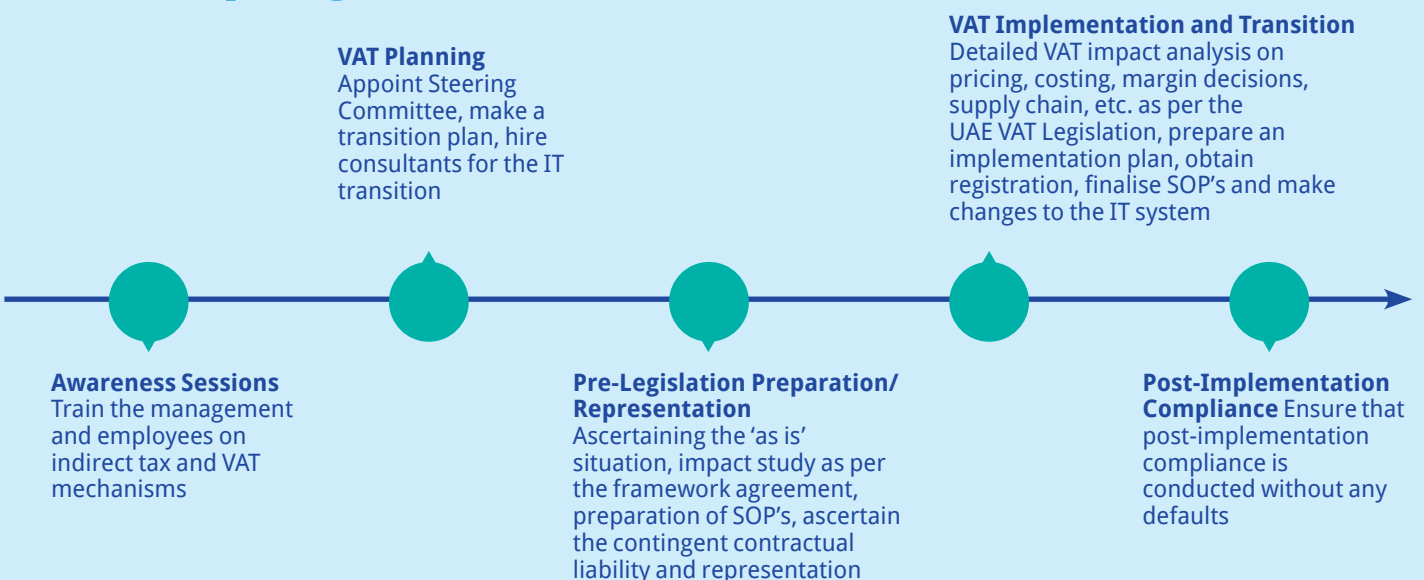
VAT is an indirect tax and is occasionally referred to as general consumption tax in other countries. VAT is imposed on most supplies of goods and services that are bought and sold. It is charged at each step of the 'supply chain'. The final consumers generally bear the

VAT cost while businesses collect and account for the tax, in a way acting as a tax collector on behalf of the government.





How to progress on VAT?



How we can help

With the needs of our global and domestic clients in mind, we, at SKP, pursue a quality-centric approach for providing one-stop indirect tax solutions. . Our multidisciplinary experience in global VAT/ Goods and Services Tax (GST) compliance for MNCs through our Knowledge Process Outsourcing (KPO) services has enabled us to build cost-effective solutions for global indirect tax structures. Leveraging our global and domestic indirect tax experience, we have formulated VAT/GST Business Advisory and Compliance services to assist our clients plan ahead and effectively mitigate transitional risk.

At SKP, we offer an end-to-end VAT solutions structured into ten modules. Keeping in mind the unique and diverse requirements of each client, we give you the freedom to **select and customise the services most suitable for your business** from our list of services below.

1. Impact analysis

- Understand business transaction
- Establish the applicability of VAT on business
- Ascertain the impact of VAT compliance on business
- Ascertain the working capital impact analysis

2. Representation to the government

- Assist in drafting representations and liaising with trade associations, the government and parent body of – GCC VAT for representation

3. Project management services

- Strategise and plan the supply chain
- Support the VAT analytics process
- Support in managing the VAT transition
- Track, monitor and communicate the transition process

4. Transitional compliances

- Support in GCC VAT registration
- Aid in obtaining legal opinions
- Develop new compliance manuals

5. Accounting process outsourcing

- Understand and analyse the existing chart of accounts
- Routine accounting including VAT accounting
- Maintain the documentation and compilation of records
- Support services for statutory compliance
- Regular MIS reporting

6. Training and workshops

- Employee training (for supply chain, procurement, finance and accounting, HR, legal, etc.)
- Vendor training
- IT training for employees
- Other trainings as required

7. Information technology migration

- IT system assessment/ modification and migration
- Design reports for compliances
- Assist in testing externally by SKP and internally by the client

8. Business process management services

- Update VAT master data of vendors
- Vendor reconciliation for VAT credits
- Scrutinise IT vendor quotations vis-à-vis company requirements
- Perform contract reviews

9. Post-transition review

- Check and test the revised SOPs

10. Compliance support post VAT implementation

- Compute and determine the eligibility of input credit
- Compute the final VAT liability
- Prepare and assist in filing returns under VAT

The SKP Advantage



- Extensive global experience in indirect tax, offering wide-ranging business insights to our global multinational clients in conducting tax studies, compliances on various indirect taxes, litigation support, refund claims of indirect taxes and implementation of the accounting system in line with the applicable indirect taxes.
- Over 1,000 team members including chartered accountants, cost accountants, lawyers and management professionals, offering industry-wide specialised experience across various fields.
- Fully functional foreign branch in Dubai to provide real time business, advisory and compliance solutions for easy client outreach
- Experience in conducting indirect tax impact analysis for our multinational clients in India
- Regular knowledge partners with prestigious organisations such as NASSCOM, ASSOCHAM, CII and other bilateral chambers of commerce.
- Appointed as the Indian government's trusted trainer to educate government officials about GST in India. Our indirect tax team has trained over 3000 government officials to prepare for GST
- Contributed to a book on GST titled 'Supply Chain Perspective' for the Confederation of Indian Industry (CII).

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