

**The Decision of the GTA President No. (7) of 2020 Regarding the Regulations
and Procedures for Deferring the Payment of Excise Tax Upon Import**

The General Tax Authority President,

Having examined the Customs Law issued by Law No. (40) of 2002;

Law No. (25) of 2018 on Excise Tax;

Emiri Resolution No. (77) of 2018 on the establishment of the General Tax Authority;

Council of Ministers Resolution No. (21) of 2004 on Issuing the Executive Regulations of the Customs Law No. (40) of 2002; and

Council of Ministers Resolution No. (5) of 2019 on Issuing the Executive Regulations of the Law No. (25) of 2018 on Excise Tax;

hereby has decided as follows:

Article (1)

In the application of the provisions hereof, the definitions contained in the Excise Tax Law and its Executive Regulations referred to above shall be applied.

Article (2)

In accordance with the provisions of Article (7) of the Excise Tax Law and Article (23) of the Executive Regulations referred to above, the payment of excise tax on imported excisable goods shall be deferred in the following cases:

- (1) Cases in which the customs clearance of the goods is permitted before the customs duties are paid, provided that a security deposit or bank guarantee is submitted to the General Authority of Customs for the outstanding amount of the excise tax due on the imported excisable goods, pursuant to the rules, provisions and procedures stipulated in the Customs Law and its Executive Regulations and the decisions implementing the same. The excise tax shall be settled after the reasons for the deferral have ended, in accordance with the procedures followed regarding customs duties.
- (2) Concentrates, powders, gels, or any raw materials subject to excise tax imported by domestic producers necessary for the production of local excisable goods, provided that the following conditions are met:



- (a) Providing a security deposit or a letter of guarantee issued by one of the state's local banks or authorized financial institutions for the value of the excise tax due on these goods. The guarantee ensures the deferred payment of the excise tax in accordance with the procedures followed by the General Authority of Customs, provided that the guarantee covers the period of the postponement approved by adding forty-five (45) subsequent days.
 - (b) The applicant for the deferral shall be tax-compliant and customs-compliant and has never committed any tax evasion or customs offense during the three previous years prior to the date of the request for deferral of the excise tax payment.
 - (c)) The deferral period of the excise tax payment shall not exceed three months from the date of customs clearance of the imported excisable goods.
- (3) Other excisable goods in accordance with the following controls:
- (a) The value of the excisable goods on which the excise tax is calculated in respect of the twelve (12) months from the date of the request for the deferral of the excise tax payment shall not be less than (20,000,000) twenty million Qatari riyals.
 - (b) The importer shall be tax-compliant and customs-compliant and has not committed any tax evasion or customs offenses during the three previous years prior to the date of the request for deferral of the excise tax payment.
 - (c) Providing a security deposit or a letter of guarantee issued by one of the state's local banks or authorized financial institutions for the value of the excise tax due on these goods. The guarantee ensures the deferred payment of the excise tax in accordance with the procedures followed by the General Authority of Customs, provided that the guarantee covers the approved deferral period by adding forty-five (45) subsequent days.
 - (d) The period for deferred payment of excise tax shall not exceed three months from the date of customs clearance of the imported excisable goods.

Article (3)

Pursuant to the two paragraphs (32) in Article (2) hereof, the procedures for obtaining the deferment of excise tax payment upon importation shall be as follows:

- (1) An application for deferment of the payment of excise tax on excisable goods shall be submitted to the General Authority for Taxes as follows:



- (a) In this case, the application for deferment must include a description of the excisable goods to be imported, their quantities, the number, weight, or capacity, according to the unit of measurement for the excisable goods, their retail price in the local market, and the required period of deferment. A copy of the shipment documents (invoice, packing list, certificate of origin) must also be attached.
 - (b) B- Periodically, and usually on an annual or semi-annual basis, the importer may request a deferment of payment for excisable goods tax. In this case, the application for deferment shall include a description of the types of excisable goods to be imported and the requested deferment period. The periodic deferment shall take effect as of the date the request is approved.
- (2) Within 15 days of the application being submitted, the GTA will review the request and verify that the requirements outlined in Article 2 hereof are met. If the Authority agrees to defer the payment of the excisable goods tax, the importer will be notified.
 - (3) following the approval of the aforementioned application by the GTA, the importer must provide the approval to the General Authority of Customs, who will determine the required security deposit or bank guarantee.
 - (4) After confirming that the conditions outlined in paragraph 2 (b) and paragraph 3 of Article 2 have been met, and after the importer has provided the required cash deposit or LC in the amount of the excisable goods tax being deferred, the General Authority of Customs will notify the customs port where the excisable goods have arrived to take action to defer payment of the excisable goods tax.
 - (5) The importer shall pay the excisable goods tax that has been deferred within the specified deferment period, starting from the date the goods are released. The General Authority of Customs will take one of the following actions when payment is made:
 - (a). Refund the security deposit or bank guarantee provided by the importer if the deposit is provided individually.
 - (b) Refund the value of the cash deposit or bank guarantee equal to the amount of tax paid if the deposit was made periodically.



- (6) If the deferment period ends without the payment of the excisable goods tax, the tax will be collected from the cash deposit or bank guarantee provided by the importer, in accordance with the procedures followed by the General Authority of Customs.
- (7) If the excise tax is collected from the security deposit or bank guarantee due to the failure in payment of the tax on the specified date, the following actions will be taken against the importer
- (a) Canceling the approval of the periodic deferment of the excise tax payment, which is valid as of the date of collecting the excise tax, from the value of the cash insurance or bank guarantee.
- (b) Depriving the importer from benefiting from the deferment of the excise tax for a period of six months for the first time, a year for the second time, and permanently for the third time.
- (8) The period of deprivation specified in paragraph (7) of this Article starts from the date following the date of collecting the excise tax from the value of the security deposit or bank guarantee issued in this regard.

Article (5)

All competent authorities shall implement this decision, each within its jurisdiction, and it shall come into force as of the date of its issuance. It shall be published in the official gazette.

//Signature Affixed//

Ahmed bin Issa Al Muhannadi

General Tax Authority President

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