

Kingdom Of Bahrain

Simplified VAT Return Filing Manual Applicable VAT Periods In 2022


Request and Filing

January 2022

Version 1.0

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1. MANUAL OVERVIEW

The purpose of this Manual is to provide VAT payers with the necessary guidance to help them to submit the simplified VAT return form for the periods in the year 2022. This manual covers the part of how the simplified VAT form submitted and filing scenario examples. For further information on how to change the VAT return type to simplified VAT return form, VAT payers may refer to the previous versions of simplified VAT return form manual.

This manual is intended to provide general information only and does not represent exhaustive or legally binding guidelines. For additional information, kindly refer to the “VAT Guidelines” on the NBR website using the following link: National Bureau for Revenue - Guidelines and Publications (nbr.gov.bh).

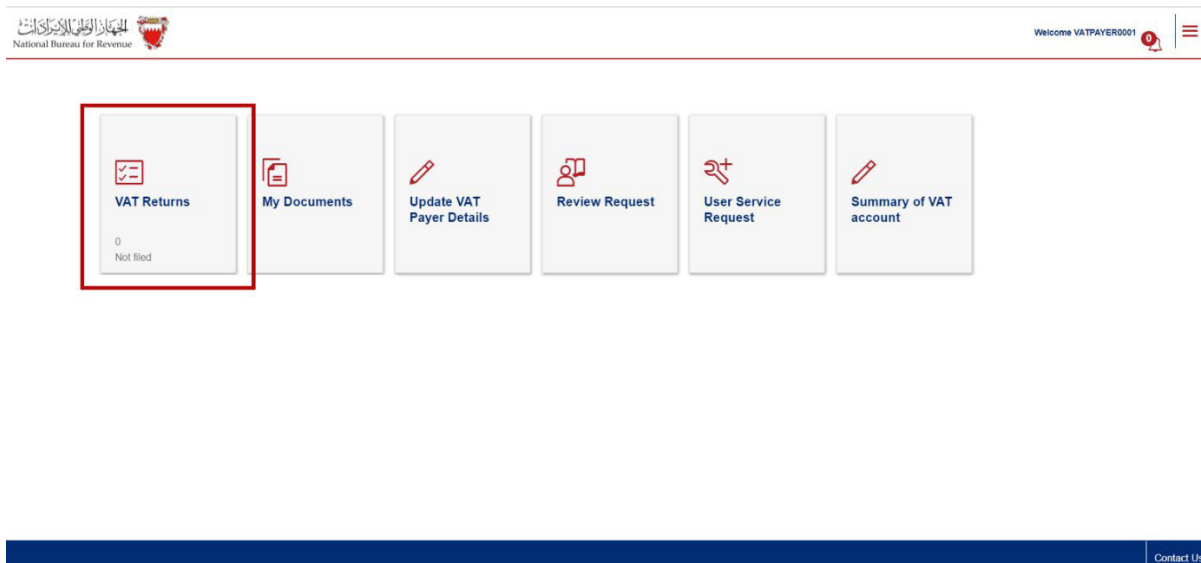
You can also contact NBR’s Contact Centre via email or the VAT hotline, details of which can be found under “[Contact us](#)” on the NBR website.



2. SIMPLIFIED VAT RETURN FILING PROCESS

Accessing the Simplified VAT return form

VAT payer should access NBR website using the following link: <https://www.nbr.gov.bh/>. Then the VAT payer should log in to the portal using the designated User ID and Password (used during registration and filing the returns).



VAT payer should access their outstanding VAT Return Forms by selecting “Not Filed” from the drop-down menu at the top right corner of the page. To file the return, VAT payer should select the appropriate VAT return form from the list of outstanding filing obligations.

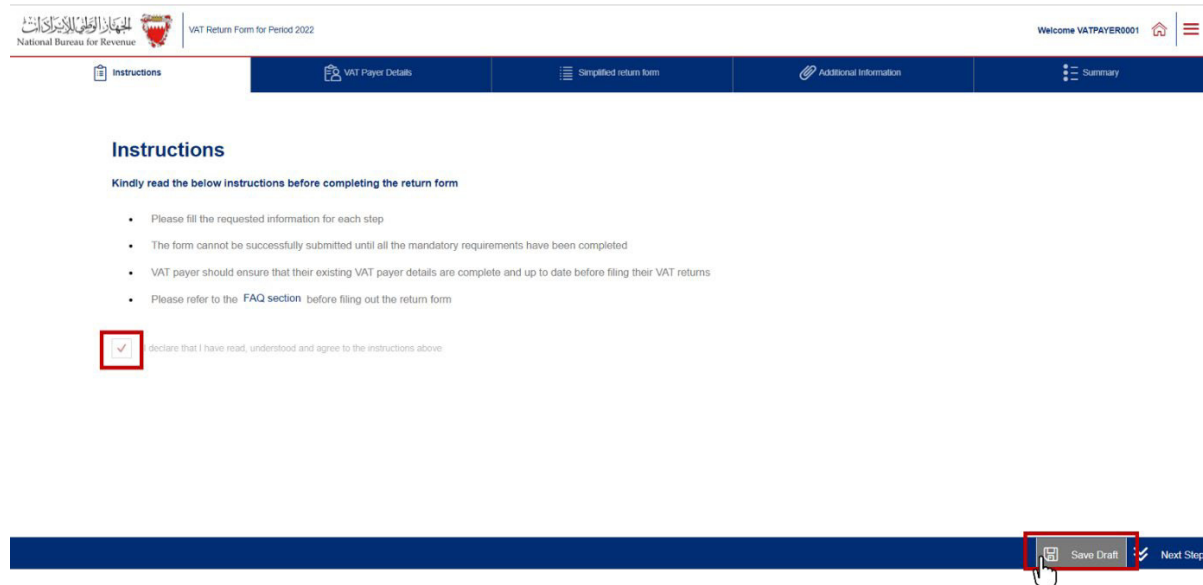


Form	Period	Period From	Period To	Revenue Type	Due Date	Receipt Date
VAT Return Form	January-December 2022	Jan 1, 2022	Dec 31, 2022	VAT	Jan 31, 2023	

a. Filing the simplified VAT return form

VAT payer will be redirected to the instructions page as shown below to review and confirm on the instructions; only then VAT payer can move forward to the next step

Kindly note that the VAT payer should click on the “Save Draft” button at the bottom right corner to proceed in filing the return.



VAT Return Form for Period 2022

Welcome VATPAYER0001

Instructions

Kindly read the below instructions before completing the return form

- Please fill the requested information for each step
- The form cannot be successfully submitted until all the mandatory requirements have been completed
- VAT payer should ensure that their existing VAT payer details are complete and up to date before filing their VAT returns
- Please refer to the **FAQ section** before filing out the return form


☒ I declare that I have read, understood and agree to the instructions above.

Save Draft Next Step

"VAT payer details" page as shown below. VAT payer should ensure to review their details and amend VAT return details before proceeding with the form. If the VAT payer need to make any adjustments to these details, please proceed to "Update VAT Payer Details" on the homepage of the portal.

For further assistance, please contact NBR through one of the contact channels stated on the NBR website.

If no information is to be amended, the accuracy of the information will have to be confirmed to move to the next section.


 VAT Return Form for Period 2022
 Welcome VATPAYER0001

[Instructions](#)
[VAT Payer Details](#)
[Simplified return form](#)
[Additional Information](#)
[Summary](#)

VAT Payer Details

VAT payer ID Type: Other Identification Number
 VAT payer unique ID no: 32920102
 VAT payer legal name: VATPAYER0001
 VAT payer main address: 1342 444 1121 Isa Town 1234 Bahrain
 VAT payer TIN: 2100146448
 VAT payer VAT account number: 210014644800002


VAT return details

VAT return type: Annual
 VAT period starting: 01/01/2022
 VAT Period ending: 31/12/2022

☒ confirm that the above information is correct and would like to proceed

[Previous Step](#)
[Save Draft](#)
[Next Step](#)

- Question 1: Do you have sales subject to 5% VAT as per the transitional provisions/sales adjustment subject to 5% that you would like to declare in this VAT return?


 VAT Return Form for Period 2022
 Welcome VATPAYER0001

[Instructions](#)
[VAT Payer Details](#)
[Simplified return form](#)
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VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

☒ Yes
 ☐ No

If the VAT payer answers the question with “No”, then the return form will be displayed with sales field indicating that all transactions are applicable at the standard rate of 10%. On the other hand, if “Yes” was selected, a field related to sales at 5% will be displayed.

VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 10%	<input type="text"/>	0.000
1(b)	Standard rated sales at 5%	<input type="text"/>	0.000
2	Zero-rated (including exports)	<input type="text"/>	
3	Other & exempt sales	<input type="text"/>	
4	Total sales	0.000	0.000
5	Total purchases	<input type="text"/>	
6	Total VAT due for current period		0.000
7	Corrections from previous period (between BHD ±5,000)	<input type="text"/>	
8(a)	VAT credit carried forward from previous period(s)		0.000
9(a)	Net VAT due (or reclaimed)		0.000

⚠ Please note that the penalties shown reflect the amount applied before revisions, offsetting, payment or any additional penalties imposed by NBR. You may find the net remaining penalty due, if any, on your VAT bill.

⚠ Please note that overdue liabilities will be automatically offset against any available credit on your account. Also, please note that on account credit, both carry forward and refund credit, will not be available for offsetting if under review.

⚠ Please note that no field can be empty, and all fields must be filled to continue. If you have no reported amounts for a specific field, you can type 0.

[Previous Step](#) [Save Draft](#) [Next Step](#)

VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

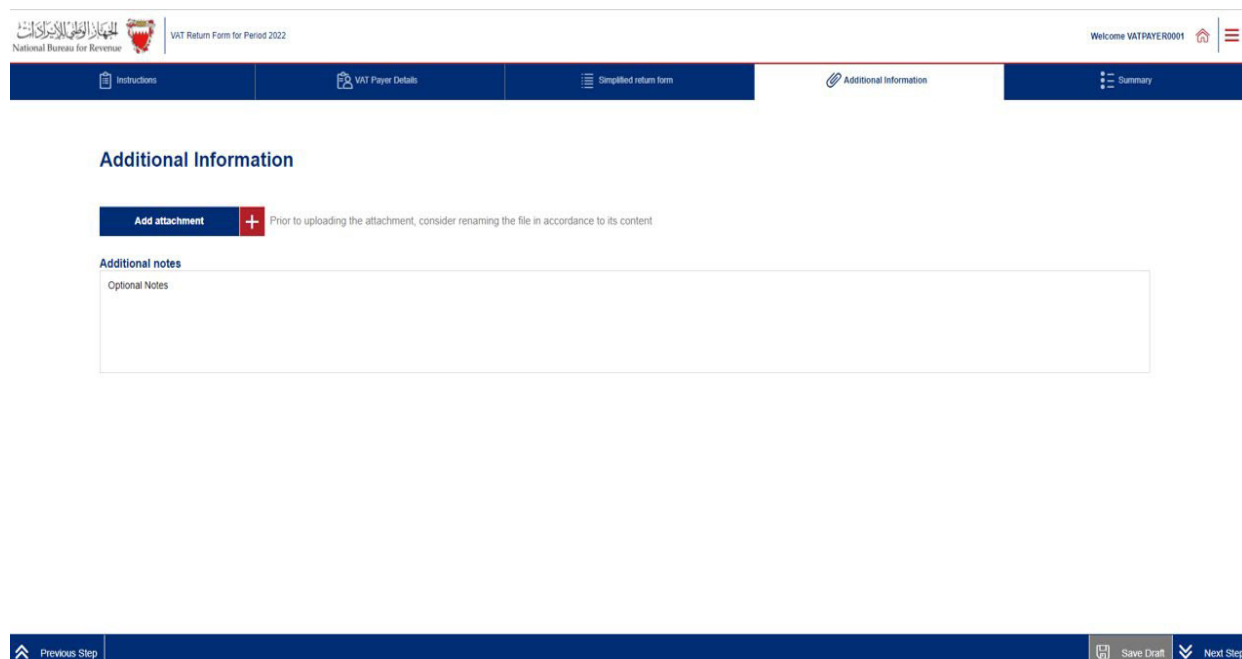
Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 10%	<input type="text"/>	
1(b)	Standard rated sales at 5%	<input type="text"/>	
2	Zero-rated (including exports)	<input type="text"/>	

Total amount of standard rated at 10% goods and services (excluding VAT paid) supplied during the current period that were sold in the Kingdom of Bahrain (incl. supplies to tourists), net of adjustments. Adjustments include return of goods and services by customers on which you have declared/paid VAT to NBR, supplies made to tourists under a VAT refunds for tourist scheme and refunded to the refund operator, bad debt write-off on standard rated receivables. Please refer to the https://www.nbr.gov.bh/vat_faqs for the list of standard rated goods and services.

<https://www.nbr.gov.bh/faq> or refer to Section 9 of the VAT Return Filing Manuals for additional information regarding the VAT return. And for more information with regards to transitional rules please refer to VAT Rate Change Transitional Provisions Guide. Also, if needed, kindly contact NBR's Contact Centre for any further queries.

After filing the VAT return, the VAT payer will be redirected to the “Additional Information” section (optional). Here the VAT payer can submit supplementary information (e.g., invoices, payment information or customs declarations) to NBR. If deemed necessary, NBR reserves the right to request additional information. Note that if the VAT payer is submitting a modification of the VAT return, the VAT payer will be required to upload relevant documents.

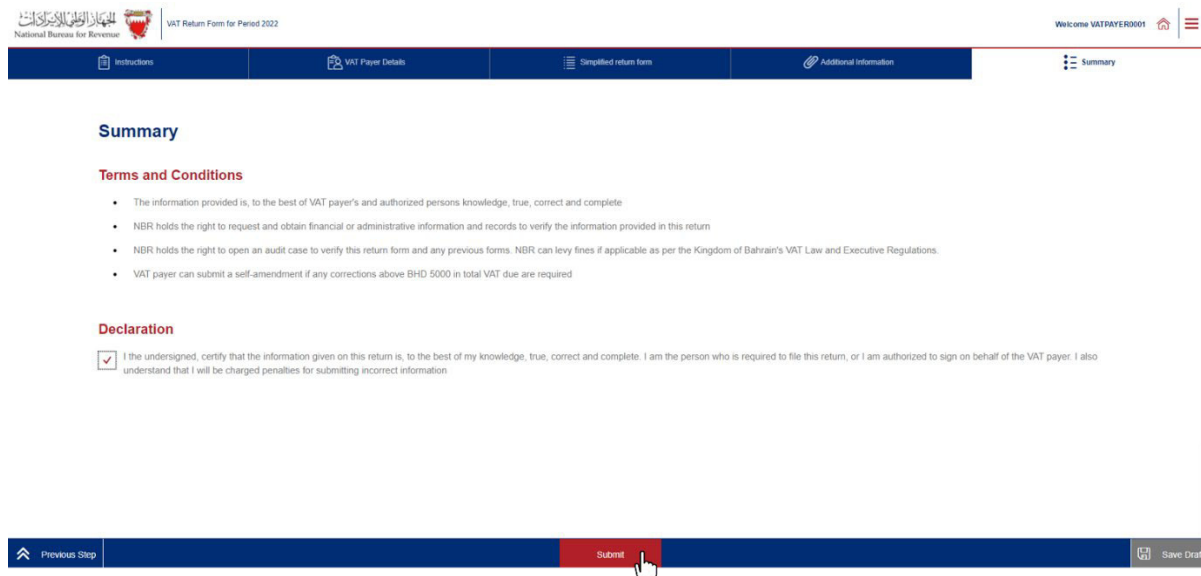


The screenshot displays the 'Additional Information' section of the VAT return form. At the top, a navigation bar includes links for 'Instructions', 'VAT Payer Details', 'Simplified return form', 'Additional Information' (which is highlighted), and 'Summary'. The main content area is titled 'Additional Information' and features an 'Add attachment' button with a red plus icon. Below this, a note states: 'Prior to uploading the attachment, consider renaming the file in accordance to its content.' Under the heading 'Additional notes', there is a text area labeled 'Optional Notes'. At the bottom of the form, a navigation bar contains 'Previous Step', 'Save Draft', and 'Next Step' buttons.

b. Submitting the simplified VAT return form

Once the return form is completed and VAT payer have agreed on the declaration, VAT payer will be able to submit the return form or save it as draft for review

Kindly note that if the VAT payer did not submit the VAT return draft within 45 days, it will be automatically deleted from the portal.



Summary

Terms and Conditions

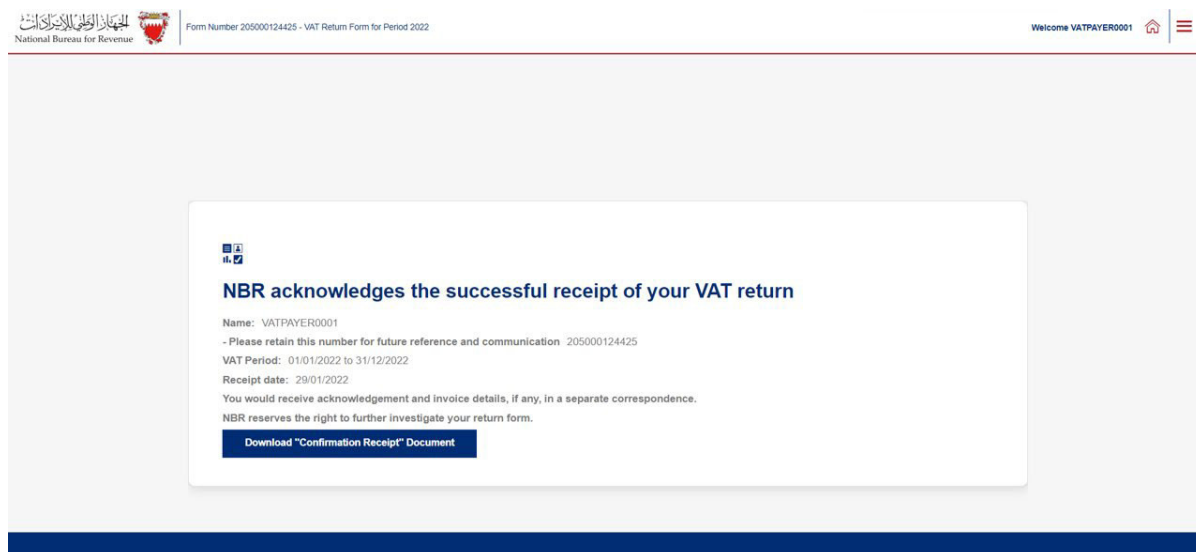
- The information provided is, to the best of VAT payer's and authorized persons knowledge, true, correct and complete
- NBR holds the right to request and obtain financial or administrative information and records to verify the information provided in this return
- NBR holds the right to open an audit case to verify this return form and any previous forms. NBR can levy fines if applicable as per the Kingdom of Bahrain's VAT Law and Executive Regulations.
- VAT payer can submit a self-amendment if any corrections above BHD 5000 in total VAT due are required

Declaration

☒ I the undersigned, certify that the information given on this return is, to the best of my knowledge, true, correct and complete. I am the person who is required to file this return, or I am authorized to sign on behalf of the VAT payer. I also understand that I will be charged penalties for submitting incorrect information

Previous Step Submit Save Draft

Once the return form is submitted, VAT payer will be redirected to a page confirming the successful submission of the return and download the "Confirmation Receipt of VAT Return" letter. VAT payer should also receive an SMS and email confirming the submission of VAT return.



NBR acknowledges the successful receipt of your VAT return

Name: VATPAYER0001

- Please retain this number for future reference and communication : 205000124425

VAT Period: 01/01/2022 to 31/12/2022

Receipt date: 29/01/2022

You would receive acknowledgement and invoice details, if any, in a separate correspondence.

NBR reserves the right to further investigate your return form.

Download "Confirmation Receipt" Document

If the VAT payer Total VAT due + corrections from previous period is positive, then they are in an overall debit position. Please refer to section 6 of The VAT Return filing manual for

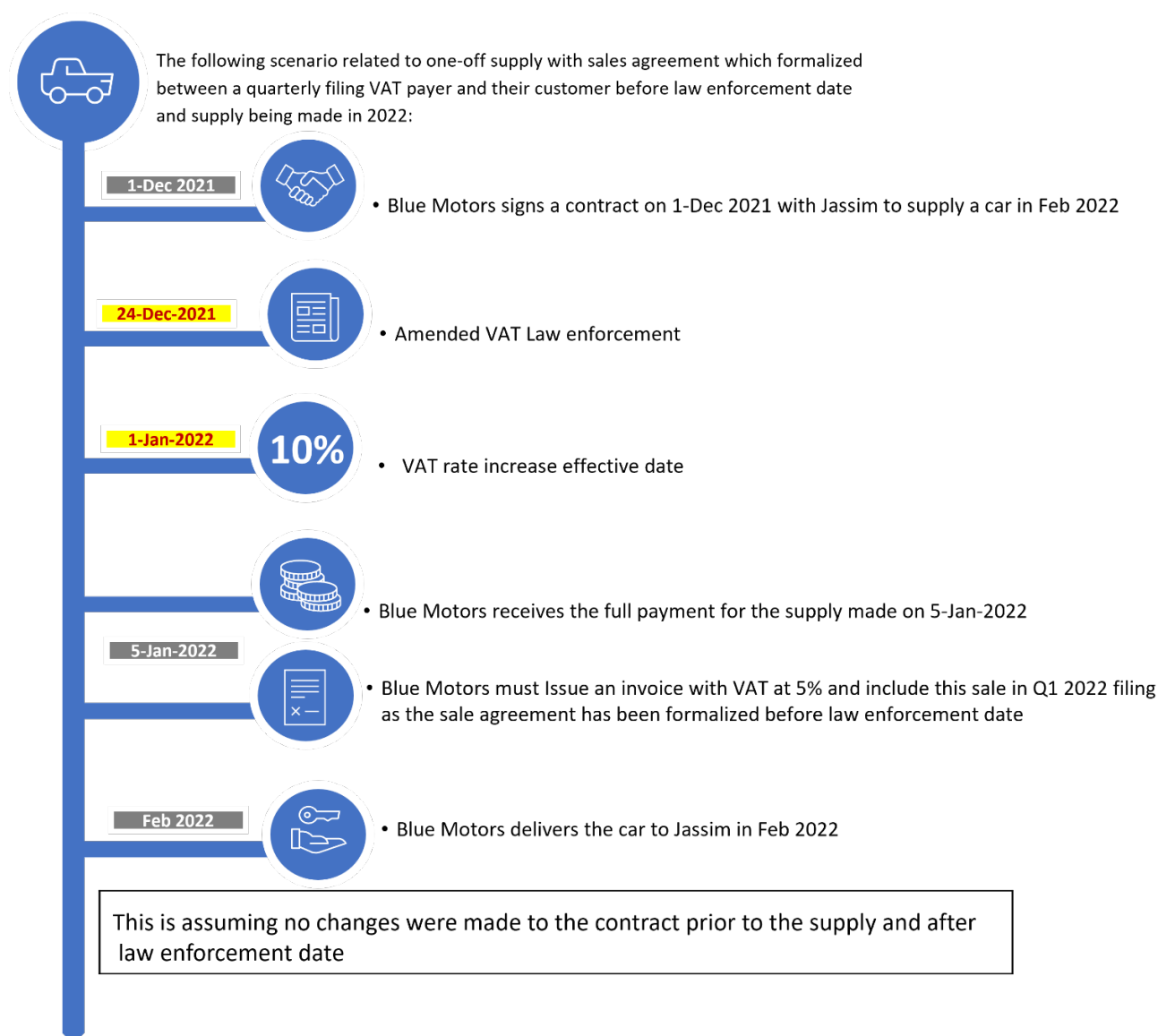
additional information. Kindly note that if the VAT payer have filed a debit return they will also receive a bill with a breakdown of your liability.

If the VAT payer Total VAT due + corrections from previous period is negative, then they are in an overall credit position. Please refer to section 7 of The VAT Return filing manual for additional information. If the VAT payer have excess credit from a previous period, and that credit was used to offset your filed debit (in full or in part), they will also expect to receive an offsetting letter under “My documents” on the portal.

3. FILING SIMPLIFIED VAT RETURN FORM SCENARIO EXAMPLES

Please refer to the following examples for a better understanding of how purchase and sale values can be recorded in the simplified VAT return.

3.1 Example 1: One-off supply formalized before law enforcement date:



The “Simplified VAT Return Form” section of Blue Motors return filing form on the NBR portal will look as follows:

Instructions
VAT Payer Details
Simplified return form
Additional Information
Summary

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

☒ Yes
☐ No

Since the sale agreement formalized before law enforcement date and assuming no changes were made to the contract prior to the supply, the answer to Question 1 should be "Yes"

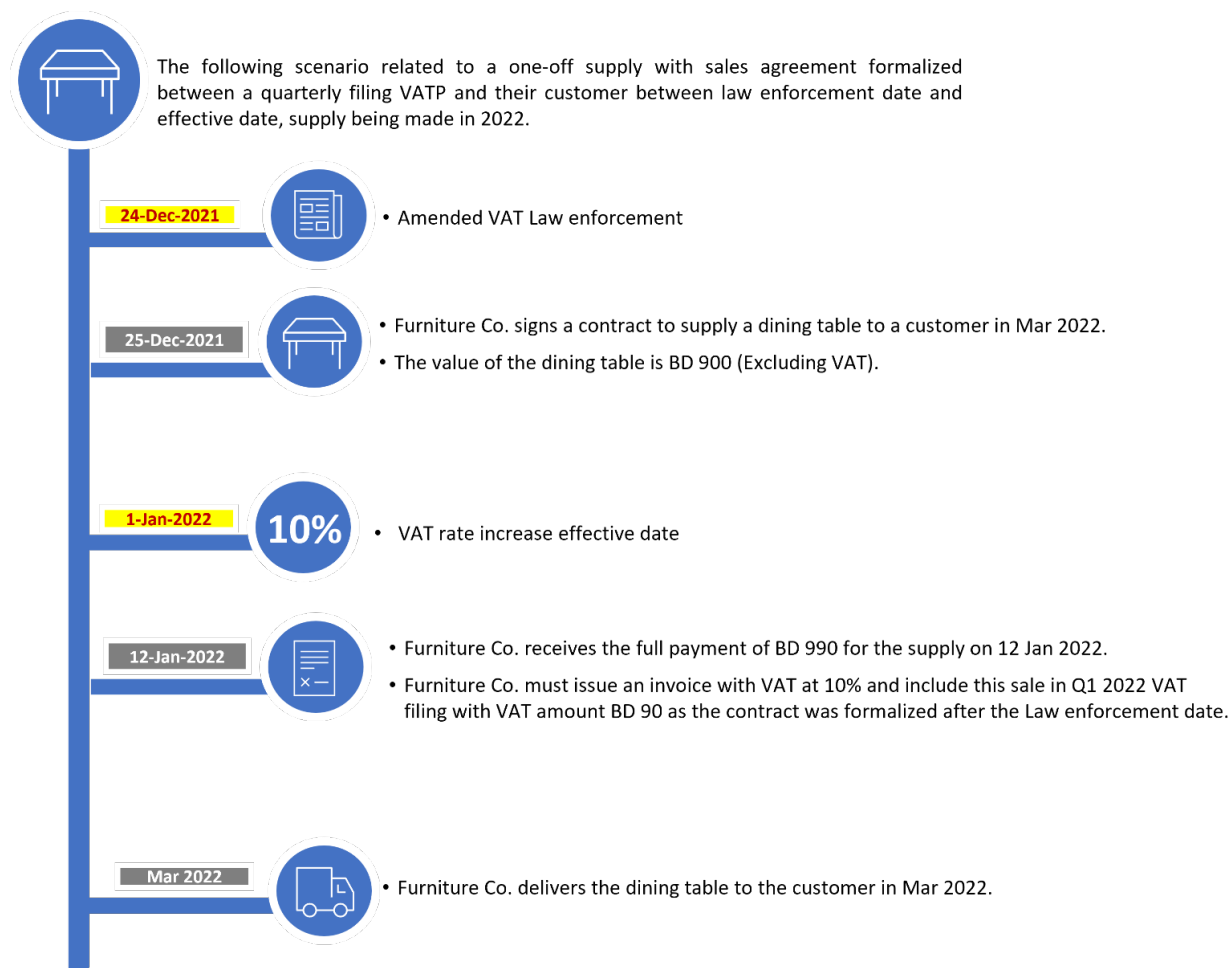
No.	Description		VAT Amount (BHD)
1(a)	Standard rated sales at 10%	0.000	0.000
1(b)	Standard rated sales at 5%	10,000.000	500.000
2	Zero-rated (including exports)		
3	Other & exempt sales		
4	Total sales	10,000.000	500.000
5	Total purchases		

The issued invoice will be included in Q1 2022 VAT filing

Blue motors will issue an invoice with VAT at 5%

Previous Step
Save Draft
Next Step

3.2 Example 2: One-off supply with sales agreement formalized between law enforcement date and effective date



Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

Yes ☐ No ☒ Since the sale agreement was formalized between law enforcement date and effective date. The answer to the question should be "No"

Furniture Co. must issue an invoice with VAT at 10%

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 10%	900,000	90,000
2	Zero-rated (including exports)		
3	Other & exempt sales		
4	Total sales	900,000	90,000
5	Total purchases		
6	Total VAT due for current period		90,000

The issued invoice will be included in the in Q1 2022 VAT filing

Previous Step Save Draft Next Step

3.3 Example 3: Continuous supply with sales agreement formalized after the effective date



The “Simplified VAT Return Form” section of Build Co. return filing form on the NBR portal will be as follows:

Instructions

VAT Payer Details

Simplified return form

Additional information

Summary

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

Yes

No

Since the sale agreement was formalized after the effective date. The answer to the question should be “No”

No.	Description	Amount (BHD)	VAT Amount (BHD)
1(a)	Standard rated sales at 10%	5,000,000	500,000
2	Zero-rated (including exports)		
3	Other & exempt sales		
4	Total sales	5,000,000	500,000
5	Total purchases		
6	Total VAT due for current period		500,000

The issued invoice will be included in the in Q2 2022 VAT filing

Build Co. must issue an invoice with VAT at 10%

Previous Step

Save Draft

Next Step

4. FREQUENTLY ASKED QUESTIONS (FAQs)

Who is eligible to change the full VAT return type to a simplified VAT return?

VAT payers who meet the following conditions can request to change to simplified VAT filing:

- VAT payer must not be registered for VAT purposes as a VAT group
- Annual supplies made by the VAT payer should be below BHD 100,000

The simplified VAT return can be used by monthly, quarterly, or annually filers subject to meeting the above two criteria. Please note that changing to simplified filing is not a mandatory requirement set by NBR.

How can the VAT payer apply for simplified VAT return filing?

All requests to change VAT return type form should be submitted online using the NBR portal. Please refer to the steps below when requesting to change your filing form type:

- Log in to the portal using the User ID and Password of the account for which you would like to change the filing form type. This is the same User ID and password you use during registration and filing.
- Click on “VAT Payer Service Request” tile on the homepage.
- You will be redirected to the service requests page. If you have any open service requests, they will be displayed in this page. Please click on “Create New Service” and select the down arrow in the pop up to access the list of services provided by NBR.
- In the drop-down list, please select “Change VAT Return Form Type” to access the change return form type application.
- Kindly make sure to review your VAT payer details before choosing a preferred return form type. If you need to make any adjustments to these details, please proceed to “Update VAT Payer Details” on the homepage of the portal. For further assistance, please contact NBR through one of the contact channels stated on the NBR website. Once you have reviewed your information and selected a return type, please click on “Next Step”.
- If you are not eligible to apply for a simplified VAT return, you will be notified via a popup message. If you are eligible to apply, you will be redirected to the next page where you must agree to and acknowledge all the statements.
- Once you have submitted your request, you should expect to see a confirmation page stating that your request was successfully submitted.

Please note: While all eligible VAT payers will be able to switch to the simplified VAT return, NBR reserves the right to switch back any VAT payers to the full VAT return at any point of time.

After successful processing of the request, when will the simplified VAT return filing be effective?

After the application has been successfully submitted, you should expect to receive a notification on your registered e-mail and phone number as well as a letter titled “Successful application to use the simplified VAT return form” under “My Documents” on the NBR portal.

Once successfully submitted, the request will be implemented and all current and future VAT returns which have not been yet filed will be switched to the simplified VAT return. Kindly note that VAT returns which have already been filed will remain unchanged and will still be displayed and/or amended using the full form.

What is the deadline to submit a request to change to simplified VAT return filing?

There is no deadline to choose simplified VAT return filing. As long as you meet the conditions, you can opt for simplified VAT return filing anytime on the NBR portal.

Can the VAT payer switch back to the full VAT return form after choosing the simplified VAT return form?

You can switch back to the full VAT return form at any point of time, should you choose so. You are also allowed to switch again to simplified VAT return form at later stage, however there shall be a waiting period of one year from the previous change.

How does the VAT payer file a simplified VAT return?

The overall process to file your VAT obligations using the simplified VAT return is similar to the process of filing the full VAT return. Please refer to section 3 of this guide for further details and guidance.

How does the VAT payer report adjustments on the simplified VAT return?

There is no specific column for reporting adjustments on the simplified VAT return. Instead, all fields on the simplified VAT return should be reported net of adjustment. For example, if a VAT payer has 10,000 BHD of standard-rated sales in 2020 Q1 and needs to make an adjustment of 2,000 BHD to their 2019 Q4 VAT return, then the VAT payer should report 8,000 BHD of standard-rated sales in 2020 Q1 when using the simplified VAT return. This differs from the full VAT return, where the VAT payer would need to report 10,000 BHD of standard-rated sales and 2,000 BHD of adjustments to standard-rated sales in separate fields. Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating both the gross amounts and the adjustments made.

How does the VAT payer report zero-rated and / or exempt purchases on the simplified VAT return?

Zero-rated and exempt purchases should be included within the field 'Total purchases'. Note that only deductible VAT related to your standard rated purchases and imports will be reported in the VAT field.

How does the VAT payer account for apportionment on the simplified VAT return?

There is no specific column for apportionment on the simplified VAT return. Instead, the VAT payer should only report deductible VAT paid on the field for 'VAT amount' on purchases.

For example, a VAT payer made 10,000 BHD of purchases in 2020 Q1, on which the VAT payer paid 500 BHD of VAT. Of this VAT 300 BHD was deductible. The VAT payer would report 10,000 BHD in the field for 'Total purchases' and 300 BHD in the field 'VAT amount' on purchases if using the simplified VAT return. Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating the apportionment calculation made.

How does the VAT payer report standard-rated sales to a domestic purchaser who applies the domestic reverse charge mechanism?

Standard-rated sales made to a domestic purchaser who has the right granted by NBR (supported by a valid certificate) to apply the Domestic Reverse Charge Mechanism should be reported in the field 'Other & exempt sales'. Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating these sales.

How does the VAT payer report exports on the simplified VAT return?

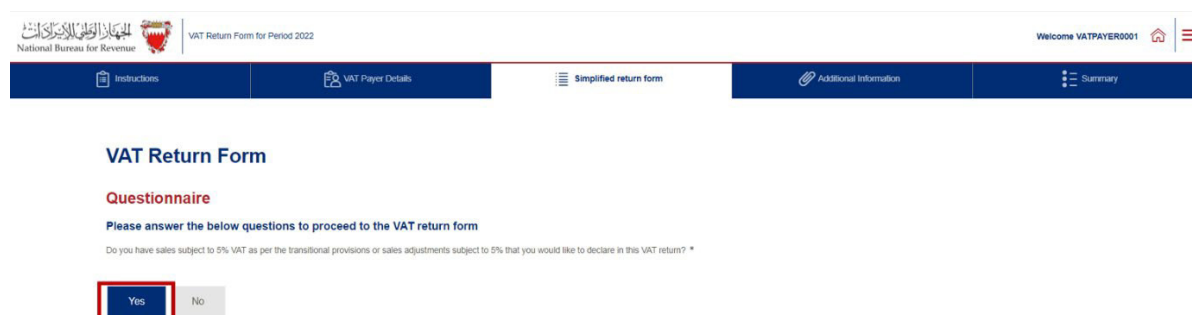
Exports should be reported in the field 'Zero-rated (including exports)'.

Kindly note that NBR reserves the right to validate VAT filings and could ask VAT payers for a detailed record demonstrating the value of their exports.

In accordance with the transitional provisions, what are the procedures for submitting VAT return form if the VAT payer made sales, purchases, and imports subject to 5%?

With regards to the change in VAT standard rate, an additional step has been added to the VAT return form. You will need to answer the questionnaire before proceeding to the VAT return form and based on your answers, certain fields to report the transaction made at 5% will be displayed in the VAT Return form.

For more details and information please refer to VAT Rate Change Transitional Provisions Guide.



VAT Return Form for Period 2022

Welcome VATPAYER0001

Instructions VAT Payer Details Simplified return form Additional Information Summary

VAT Return Form

Questionnaire

Please answer the below questions to proceed to the VAT return form

Do you have sales subject to 5% VAT as per the transitional provisions or sales adjustments subject to 5% that you would like to declare in this VAT return? *

