Oman excise tax law

Unofficial translation of Royal Decree No. 23/2019 issued on 13 March 2019 by the Sultanate of Oman

March 2019
Royal Decree No. 23/2019

Decree Law on Selective / Excise Tax

English Translation (unofficial)

Disclaimer

This document is an unofficial translation of Royal Decree No. 23/2019 issued on 13 March 2019 by the Sultanate of Oman. The text in this document is not the official translation and is provided for information purposes only. While care has been taken to ensure accuracy, KPMG does not guarantee that the translation is free from error or omission. Use of the text is at the user’s own risk.

No information contained in this document should be construed as legal advice from us or interpretation of underlying laws and regulations, nor is it intended to be a substitute for legal counsel on any subject matter. It is also not intended to address the circumstances of any particular individual or entity. Application of the text in this document will depend on the circumstances involved. We recommend you obtain professional and legal advice before acting on or refraining to act based on the content of this document.
Royal Decree No 23/2019

Promulgating the Excise Tax Law

We, Qaboos Bin Said, Sultan of Oman

After perusal of the Constitution of the State promulgated by Royal Decree No. 101/96;

The Banking Law issued by Royal Decree No. 114/2000;

The Royal Decree 67/2003 implementing the Common Customs Law for the Arab States of the Gulf Co-operation Council;

And after submission to the Council of the Sultanate of Oman; and

And in pursuance of public interest.

Have decreed:

(Article One)
The provisions of the accompanying Excise Goods Tax Law shall take effect.

(Article Two)
The Minister responsible for Financial Affairs shall issue the Executive Regulations for the accompanying Law within a timeframe not exceeding (6) six months from its effective date.

(Article Three)
All those provisions contravening the accompanying Law shall be repealed.

(Article Four)
This Decree shall be published in the Official Gazette and shall come into effect from the next day of the lapse of (90) ninety days following the date of publication.

Issued on: 6 Rajab, 1440 A.H.

Corresponding to: 13 March, 2019 G.

Qaboos Bin Said
Sultan of Oman
Chapter One

Definitions

Article (1)

In the application of the provisions of this Law, the following words and expressions shall have the meaning specified against each of them, unless the context requires otherwise:

The Minister:

The Minister responsible for the Financial Affairs.

The Secretary General:

The Secretary General for Taxation at the Ministry of Finance.

The Secretariat General:

The Secretariat General for Taxation at the Ministry of Finance.

The Directorate General of Customs:

The Directorate General of Customs at Royal Oman Police.

Committee:

Tax Grievances Committee constituted under Article (45) of this Law.

The Council:

The Co-operation Council for the Arab States of the Gulf.

The Common Customs Law:

The Common Customs Law for the Arab States of the Gulf Co-operation Council.

Excise Goods:

Goods that are harmful to human health or to the environment or luxury goods, whether such goods were produced locally or imported, and subject to Tax in accordance with the provisions of this Law.

Tax:

Tax that shall be imposed on Excise Goods in accordance with the provisions of this Law.
Value of Excise Goods:

The value on the basis of which Tax shall be computed in accordance with the provisions of this Law.

Person:

A natural or a legal person and includes partnerships and non-Omani joint-venture agreements that do not assume the form of a company.

The Responsible Person:

Any person linked to the person liable to Tax, in whatsoever manner, and charged with acting on his behalf in discharging the obligations imposed upon him by virtue of the provisions of this Law.

Permanent Establishment:

The fixed place of activity through which any foreign person carries on an activity wholly or partly in the Sultanate of Oman either directly or through a dependent agent.

Registered Person:

A person registered with the Secretariat General in accordance with the provisions of this Law.

Person liable to Tax:

A registered person or, any other person liable to pay the Tax.

Tax Year:

(12) Twelve months commencing from 1st of January and ending at the end of December of each Gregorian year.

Tax Period:

A period of (3) three calendar months within a Tax Year, provided that the first Tax Period shall start from the registration date, and each subsequent Tax Period shall start from the next day of the end of the lapsed Tax Period.

Additional Tax:

Tax that shall be levied at the rate of (1%) one percent of the unsettled Tax value for each month of delay or part thereof, effective from the end of the specified period for settlement and until the settlement date.

Import of Excise Goods:

Import of Excise Goods from outside the territory of the States of the Council in accordance with the provisions of the Common Customs Law.
Tax Suspension situation:

A situation under which chargeability to Tax of Excise Goods produced locally or imported is suspended in accordance with the provisions of this Law.

Tax warehouse:

A place where the Licensed person is permitted to produce, transform, possess, store, transport or receive any Excise Goods in a Tax Suspension situation in accordance with the provisions of this Law.

Licensed Person:

A person issued with a license by the Secretariat General to establish a Tax warehouse.

Regulation:

The Executive Regulation for this Law.
Chapter Two

General Provisions

Article (2)

The Responsible Person shall be determined in the following manner:

1. In relation to a sole proprietorship establishment: the owner or the manager responsible for the Establishment, and in case of imposing judicial control, or the declaration of bankruptcy, the receiver or the manager of the bankruptcy, as the case may be, shall be the responsible person.

2. In relation to an Omani Company:
   (a) Sole proprietorship company: the owner or the manager responsible for the company
   (b) General partnership or limited partnership: the partner or the manager of the partnership or limited partnership;
   (c) Joint venture: the manager or the director agreed upon between the partners to handle the management affairs of the company, whether among the partners or others.
   (d) Joint stock company: the Chairman of the Board of Directors or a manager authorized by the Board.
   (e) Limited liability company: the manager of the company or the person responsible for management.

And in case of imposition of judicial control on the company or the declaration of bankruptcy or its liquidation: the receiver or the manager of the bankruptcy or liquidator, as the case may be.

3. In relation to a permanent establishment:
   (a) The owner or manager.
   (b) Where it carries out its business in Oman through an agent, the agent of the owner of the permanent establishment.
   (c) In case of imposing judicial control, or the declaration of bankruptcy, the receiver or the manager of the bankruptcy, as the case may be.
Article (3)

A Registered Person shall appoint the Responsible Person and shall notify the Secretariat General thereof in the manner prescribed under the Regulation.

In the event the Registered Person does not appoint the Responsible Person, the Secretary General shall be entitled to appoint one as the Responsible Person, provided that the Registered Person is notified of such an appointment.

Article (4)

It shall not be permissible for the Responsible Person to stay outside the Sultanate of Oman for a period exceeding (90) ninety days within any Tax Year, except after notifying the Secretariat General of the same and obtaining its approval for appointment of another Responsible Person to act on his behalf throughout his period of absence.

Article (5)

The Units of the Administrative Apparatus of the State shall provide the Secretariat General with the data and information related to the implementation of the provisions of this Law, whenever required.

The Units of the Administrative Apparatus of the State issuing licenses for carrying out activities related to Excise Goods shall also provide the Secretariat General with a statement comprising of licenses issued, renewed, revoked or expired, every (6) six months in the manner prescribed under the Regulation.

Article (6)

In applying the provisions of this Law, the Secretariat of the competent Court shall, at the request of the Secretariat General, provide it with copies of the following:

1. Records of the attachment of movables and the dates specified for sale to be furnished immediately upon issuance of an order for sale of the attached movables by the Executive Magistrate.

2. Declarations of seizures made by the seizing authority to be furnished immediately upon submission of declaration by the seizing authority.

3. Notices for attachment of real estate to be furnished immediately after registration of such notice at the Secretariat of the competent Commercial Register.

Article (7)

Any person carrying out sale of movables or real estate of a Registered Person in public auction shall notify the Secretariat General of the date specified for the sale. Such notification shall be made at least (10) ten days before such date.
Article (8)

The Secretariat General shall, when requesting information related to the Person liable to Tax from a licensed Bank in accordance with the provisions of the Banking Law referred above for the purpose of implementing the provisions of this Law, address such request to the Central Bank of Oman for onward submission to the licensed bank.

The licensed Bank shall directly notify the Secretariat General, within the specified period, of the information related to the Person liable to Tax, while notifying its client (the Person liable to Tax) of the same immediately.

Article (9)

The Person liable to Tax shall submit tax returns, accounts, financial statements, income statements, records, documents and others to the Secretariat General by hand or by registered post or by any electronic method, in the manner prescribed under the Regulation.

Article (10)

The Person liable to Tax shall be notified of decisions made by the Secretariat General by hand or by registered post or by any electronic method, in the manner prescribed under the Regulation.
Chapter Three

Scope of application of Tax

Article (11)

Determination or adjustment of value of Excise Goods, types of Excise Goods including tobacco and its types, and Tax rates leviable on each one of them, shall be by virtue of a decision from the Minister, after endorsement of the Council of Ministers.

Article (12)

The Directorate General of Customs shall collect Tax on imported Excise Goods by applying the prescribed rate and value, and deposit it in a special account to be opened for this purpose in accordance with the rules specified under the Regulation.

Article (13)

The importer of Excise Goods shall notify the Secretariat General of the types of imported Excise Goods, its quantity, value and value of Tax paid to the Directorate General of Customs, in the manner prescribed under the Regulation.

Article (14)

Without prejudice to the provisions of the Common Customs Law, in case of suspension of Tax payment, the importer shall submit a bank guarantee equivalent to the value of Tax due to the Directorate General of Customs, and such guarantee shall remain valid throughout the period under which payment of Tax remains suspended.

It shall not be permissible to release the bank guarantee prior to the settlement of the Tax due on Excise Goods.

Article (15)

In the event of levying Tax on Excise Goods or increasing the Tax rate assigned to them, each person carrying out an activity related to such goods, such as import or production or trading or distribution, shall notify the Secretariat General of the inventory of such goods remaining with him before being subject to Tax or increase of rate within (15) fifteen days from the date of levy or increase.
Chapter Four

Registration

Article (16)

Each person who is producing or importing Excise Goods, releasing them for consumption, in possession of such goods and has not settled Tax due thereon, or is a Licensed Person, shall submit to the Secretariat General, an application for registration in accordance with the conditions and modalities in the manner prescribed under the Regulation.

Any person importing Excise Goods in a non-regular manner shall not be subject to registration, and this shall be as prescribed under the Regulation.

Article (17)

The Secretariat General shall maintain a record of all registration applications along with their details, after reviewing it and verifying its accuracy and handing over the registration certificate to the Registered Person.

The Regulation shall specify the rules and procedures relating to the issuance of registration certificate and the details to be included therein.

Article (18)

A Registered Person shall notify the Secretariat General in writing of any changes in the details previously submitted in the registration application within (30) thirty days of such changes taking place.

The Secretariat General shall issue the registration certificate which shall include the new details in accordance with the rules and procedures prescribed under the Regulation.

Article (19)

The Registered Person shall, in case of ceasing in full or in part to carry out the activity related to Excise Goods, comply with notifying the Secretariat General immediately in the manner prescribed under the Regulation.

Article (20)

The Secretary General or his delegate shall be entitled to revoke the registration under the circumstances and subject to the conditions and in cases prescribed under the Regulation.
Chapter Five

Tax Charge, Suspension of Payment and Exemption

Article (21)

Tax shall be due on the date Excise Goods are released for consumption. The Regulation shall specify the cases under which the Excise Goods shall be deemed to have been released for consumption and the conditions and procedures that should be followed in this regard.

Article (22)

Tax shall be due in case of smuggled Excise Goods at the Tax rate applicable on the date of committing smuggling or in case it is not possible to determine the date on which it was committed, on the date of discovering the smuggling.

Article (23)

Tax shall not be due on Excise Goods inside free zones or special economic areas, except in the event Excise Goods are released for personal consumption which is not related to carrying out the business or activity.

Article (24)

The determination of the cases, rules and procedures for suspension of Tax payment shall be in the manner specified under the Regulation, and the transfer of Excise Goods under a Tax suspension between the States of the Council, shall be based on a decision from the Minister after the endorsement of the Council of Ministers.

Article (25)

In case of suspension of Tax payment, the Person liable to Tax shall submit a bank guarantee equivalent to the value of Tax due to the Secretariat General, and such guarantee shall remain valid throughout the period under which payment of Tax remains suspended.

It shall not be permissible to release the bank guarantee prior to the settlement of the Tax due on Excise Goods.

The Regulation shall specify the rules and procedures pertaining to the submission of bank guarantee and the circumstances under which the Secretariat General shall be entitled to exempt the submission of the bank guarantee.
Article (26)

It shall not be permissible to establish a Tax Warehouse except after obtaining a license for the same from the Secretariat General in accordance with the conditions and procedures prescribed under the Regulation.

Every Licensee shall notify the Secretariat General in writing of any changes to the details previously submitted in the license application within the period and in the manner prescribed under the Regulation.

Article (27)

Tax on Excise Goods shall be exempted in the following cases:

1. Excise Goods received by diplomatic and consular missions, international organizations, heads and members of diplomatic and consular missions accredited by the Sultanate of Oman, on the condition of reciprocal treatment.
2. Excise Goods that accompany travelers arriving into the Sultanate of Oman, provided that they are of no commercial capacity and such goods satisfy the conditions and terms prescribed under the Common Customs Law.

Article (28)

Disposal or assignment of Excise Goods exempted in accordance with sub-clause (1) of Article (27) of this Law shall be in accordance with the conditions and procedures prescribed under the Regulation, or else Tax shall be due on such disposal or assignment.
Chapter Six

Tax Return & Records

Article (29)

The Registered Person shall submit a tax return to the Secretariat General within (30) thirty days following the end of the Tax Period in the manner prescribed by the Regulation, provided that such return shall include in particular the following:

1. Type and numbers or quantities of Excise goods produced, imported, possessed, transformed or released for consumption and the goods released from Custom, transferred or lost or damaged or destroyed, during the Tax Period for which the tax return has been prepared.
3. Value of Tax due during the Tax Period for which the tax return has been prepared.

In case the tax return is not submitted on the due date stipulated above, the Secretariat General shall be entitled to assess the Tax for the Tax Period, and notify the Registered Person of such assessment and the basis of such assessment.

In any case it shall not be permissible to assess the Tax after the lapse of (5) five years from the date of end of the Tax Period for which the tax return should be submitted.

Importers shall be exempted from the submission of tax return, in the manner prescribed under the Regulation.

Article (30)

The Registered Person shall submit a revised tax return if he discovers that the tax return he has submitted contains an error or omission, provided that such revised return shall be submitted within (30) thirty days following the date he discovers such error or omission.

The revised return submitted within the period stipulated under the preceding paragraph shall be treated as the original tax return.

It shall not be permissible to amend the tax return after the lapse of (3) three years starting from the date of submission.
Article (31)

The Secretariat General shall amend the tax return submitted by the Registered Person if it discovers that it contains an error or omission, provided that it shall notify the Registered Person of such amendment, its justifications and the grounds on which it was based, in the manner prescribed under the Regulation.

It shall not be permissible to amend the tax return after the lapse of (3) three years starting from the date of submission.

Article (32)

The value of Tax paid to the Directorate General for Customs on imported Excise Goods shall be deducted from the tax return in application of the provisions of Article (12) of this Law, during the Tax Period for which the tax return is prepared.

Article (33)

The Registered Person shall maintain regular accounting records and books where he shall record operations related to Excise Goods on a daily basis. He shall maintain such records and books in accordance with secured and guaranteed means for (5) five years from the date of the end of Tax Year for which the tax return has been submitted.

The Regulation shall specify the records and books the Registered Person shall be required to maintain, the rules and procedures related thereto, the details to be recorded therein and the supporting documents required to be kept.

It shall not be permissible for the Registered Person to maintain any accounting records or books in a foreign currency except after obtaining written permission from the Secretariat General.
Chapter Seven

Collection of Tax and Refund

Article (34)

The Tax payable based on the tax return shall be due for payment to the Secretariat General on the due date for the submission of the tax return.

Tax shall be due for payment based on the assessment or amendment carried out by the Secretariat General on the due date specified in the notification sent to the Person liable to Tax, provided that the time limit for the payment of such Tax shall not exceed (30) thirty days from the date of the notification.

In the event of not settling Tax on the due date Additional Tax shall be due and the Secretariat General shall be entitled to exempt full payment of Additional Tax or part thereof in accordance with the rules prescribed by the Regulation.

Article (35)

The Registered Person shall be entitled to set-off Tax previously paid on Excise Goods, which have been used in the production of such Excise goods on which Tax is payable, in accordance with the information recognized in the records in Article (33) of this Law, and in accordance with the conditions and terms specified under the Regulation.

Article (36)

It shall not be permissible for the Person liable to Tax to enter into an agreement for the transfer of its burden to others, and all agreements to this effect shall be invalid.

Article (37)

Tax shall be refunded in accordance with the conditions and procedures prescribed under the regulation in the following circumstances:

1. Tax paid by diplomatic and consular missions, international organizations, heads and members of diplomatic and consular mission accredited by the Sultanate of Oman on the condition of reciprocal treatment.
2. Transfer of Excise Goods released for consumption to one of the States of the Council.
3. The cases which shall be determined by virtue of a decision from the Minister, and which shall be related to the circumstances where Excise Goods are not consumed inside the Sultanate of Oman.
4. The Tax paid in excess of the Tax due.
Chapter Eight

Supervision

Article (38)

Employees of the Secretariat General, who have been determined by a decision issued by the competent authority with the concurrence of the Minister, shall have the authority for judicial enforcement to implement the provisions of this Law, its Regulations and decisions issued for its implementation and shall be entitled, in particular to undertake any of the following measures.

1. Inspection of Tax warehouses and such other premises where activities related to Excise Goods are being carried out.
2. Taking samples from Excise Goods for testing or analysis.
3. Inspecting the operations carried out on Excise Goods, including production and transformation procedures carried out at the Tax warehouse or otherwise.

Article (39)

The Regulation shall determine the necessary rules and supervision systems on the accounting records, books, documents, computer systems and otherwise being used by the Registered Person in carrying out his activity related to Excise Goods.

Employees of the Secretariat General with the authority for judicial enforcement shall be entitled to enter the premises of the Registered Person where he is carrying out the activity, and review the accounting records and books, financial statements, income statements, documents, data, papers and others related to the implementation of the provisions of this Law, and to obtain copies thereof.

The Registered Person shall not prevent or attempt to prevent any of the employees of the Secretariat General from carrying out the duties and exercising the authority assigned to them in accordance with the provisions of this Law.

The Registered Person shall not refuse submission of any data, information, documents, papers or otherwise, whenever requested by the Secretariat General.

Article (40)

The Secretary General shall be entitled to engage persons having the experience and competence to examine or stock count quantities of Excise Goods received, possessed, produced, transformed, stored, transported, withdrawn, imported, exported, cleared from customs, lost, damaged, destroyed, as well as other matters related to the application of the provisions of this Law.

Article (41)

The Secretary General shall be entitled to order any person to submit any accounting documents, data, records or, books of accounts in his possession and related to the Tax liability of the Registered Person.
Article (42)

The information and data pertaining to the Registered Person shall enjoy complete confidentiality and it shall not be permissible to divulge it except under the circumstances authorized by Law, or with the express approval of the Registered Person, or in execution of a judgment or decision issued by the Court, or in execution of a decision of the Committee.

Article (43)

It shall not be permissible without a written authorization from the Secretariat General or his delegate, to undertake the following:

1. Unsealing or removing seals or distinguished marks already placed by the Secretariat General on appliances, equipment, laboratories or otherwise being used at warehouses, stores and other premises where activities related to Excise Goods are being carried out.
2. Transforming any of the Excise Goods to other Excise Goods.
Chapter Nine

Grievances and Tax Appeal

Article (44)

The Registered Person may complain against an assessment or adjustment of tax return by the Secretariat General within (45) forty five days from the date of being informed of the assessment or adjustment, in the manner prescribed under the Regulation.

The assessment or adjustment of tax return shall be deemed to be final if the complaint is not submitted within the period prescribed. The submission of a complaint shall not prevent the collection of Tax.

Article (45)

A Committee shall be constituted based on a decision of the Minister. The Committee shall comprise of a Chairman, Deputy Chairman and (3) three members from other than the employees of the Ministry of Finance or the bodies reporting to it or subject to its supervision. One of the members shall be an employee occupying a technical position at the Ministry of Legal Affairs.

The Minister shall be entitled to appoint stand-by members.

The meetings of the Committee shall not be valid unless attended by the Chairman or in case of his absence, the Deputy Chairman and (2) of its members at least.

The Committee shall have a Secretary and one or more technical experts. The decision for their appointment shall be issued by the Minister.

The members of the Committee shall be entitled to receive sitting fees for attending meetings in accordance with the rules prescribed by the Minister.

Article (46)

The Committee shall be competent to consider complaints submitted by the Registered Person in cases referred to under Article (44) of this Law. The Regulation shall specify the rules governing the operation of the Committee, the records to be maintained, the procedure for convening its sessions, the process and timelines for submission of complaint, the procedure for consideration, and method and mode of notifying decisions issued.

In all cases the Committee shall observe the norms and general principles for litigation procedures, including principles of confrontation, the right of defend, justification of decisions, compliance with means of notification and the timelines prescribed under the Law.

Article (47)

The Committee shall issue its decision on the complaint relating to the assessment by the Secretariat General by upholding, amending or revoking the decision of assessment by the Secretariat General. Tax shall be collected based on the decision of the Committee if not already collected.
The Committee's sessions shall be confidential, and its decisions shall be made by a majority vote of attendees, and in case of a tie the decision of the side which includes the session's Chairperson's vote shall prevail.

The decision shall be signed by both the Chairperson of the session and the Secretary within (7) seven days from the date of its issuance at the latest.

The Secretary shall notify the complainant and the Secretariat General of the Committee's decision within (7) seven days from the date of its signature at the latest.

Article (48)

A complainant may request deferral of payment of Tax in full or in part, provided that he submits an application for deferral to the Committee Chairman in writing, including the reasons for such application and the amount of Tax requested to be deferred, in the manner prescribed under the Regulations.

As a condition for acceptance of the application for deferral of part payment of Tax the complainant shall settle the amount of Tax not covered by the application.

Article (49)

The Secretariat General may within (30) thirty days of being notified of the Committee's decision, request rectification or amendment of such decision, if it contains an error in the application of the Law, unless the decision has been appealed against before a competent Court.

In all cases the Registered Person shall be notified of the request of the Secretariat General and the Committee's decision issued in this respect.

Article (50)

The Registered Person may appeal against the Committee's decision before a competent primary Court composed of three judges, within (45) forty-five days from the date of notification of the decision. An appeal against the Committee's decision shall not prevent the collection of Tax.

Settlement or conciliatory proceedings shall not be permissible in Tax disputes.

Article (51)

It shall be permissible for the Court referred to under Article (50) of this Law to consider the Tax suit in a confidential session, and in all cases its judgment shall be issued expeditiously.

Article (52)

The Department of Tax Litigation reporting to the Secretary General shall act on behalf of the Secretariat General, apart from all other departments, in Tax cases, appeals filed by or against the Secretariat General before Court of different kinds and degrees, and before the committee or other administrative committees or other bodies that are legally empowered to have jurisdiction.
Copies of notices relating to the Tax suits and appeals shall be delivered to the referred Department along with judgments and other documents relating to such cases, appeals or grievances.
Chapter Ten

Penalties

Article (53)

Without prejudice to any stricter penalty stipulated under any other law, offenses outlined under the following articles shall be punishable with the penalties prescribed therein.

Article (54)

The following cases shall be punishable with imprisonment for a period of not less than (2) two months and not exceeding (1) one year, or with a fine of not less than (1000) one thousand Omani Rials and not exceeding (10,000) ten thousand Omani Rials, or both:

1. Deliberate failure by the Registered Person to nominate the Responsible Person.
2. Deliberate failure by the Responsible Person to notify the Secretariat General and obtain its approval to appoint another Responsible Person during his period of absence of more than (90) ninety days.
3. Deliberate failure by the Responsible Person to attend to the request of the Secretariat General.
4. The release of Excise Goods from the Tax warehouse without payment of the Tax due.
5. Deliberate failure by the Licensee to examine Excise Goods at the time of receipt and prior to placing, storing or preserving them in a Tax warehouse.
6. Failure by the Registered Person to maintain regular accounting records and books, in accordance with the provisions of Article (33) of this Law.
7. Commiting any act or refraining from doing an act which shall prevent or obstruct the employees of the Secretariat General or its agents from carrying out their responsibilities and duties prescribed under this Law.
8. Deliberate failure from submission of the tax return for any Tax Period, in accordance with the provisions of Article (29) of this Law.
9. Unsealing or removal of seals or distinguished signs in violation of sub-clause (1) of Article (43) of this Law.

And in case of repetition of the same action it shall be permissible for the Court to double the penalty, and increase the maximum limit prescribed under this Law for the punishment by imprisonment by not more than half of this limit.

Article (55)

The following cases shall be punishable with imprisonment for a period of not less than (1) one year and not exceeding (3) three years, or with a fine of not less than (5000) five thousand Omani Rials and not exceeding (20,000) twenty thousand Omani Rials, or both:

1. Non-compliance with the provision of Article (15) of this Law.
2. Deliberately refraining from registering with the Secretariat General.
3. Deliberately refraining from reporting correct details in relation to the type of Excise Goods, its quantities, its values or, the Tax due on such goods, in the tax returns.
4. Submission of forged tax returns, documents or records to evade payment of Tax in full or in part.
5. Deliberate destruction, concealment or disposal of any documents, records, accounts, statements or otherwise requested by the Secretariat General to be submitted in accordance with the provisions of this Law, if such destruction, concealment or disposal is done within (1) one year from the receipt of the notice from the Secretariat General.

And in case of repetition of the same action it shall be permissible for the Court to double the penalty, and increase the maximum limit prescribed under this Law for the punishment by imprisonment by not more than half of this limit.

Article (56)

No public suit or action shall be taken in relation to a violation committed under this Act unless based on a request from the Secretary General.

The Secretary General may agree to conciliation on the above violations, provided such conciliation is before issuance of a final judgment on the case and involves settlement of an amount not less than double the minimum limit, and not exceeding double the maximum limit of the prescribed fine for such violation.

And as a result of conciliation the public suit shall lapse, and the effects resulting from filing it, including the punishment being judged shall be revoked.

Article (57)

The Regulations shall specify the administrative penalties that may be imposed, including the procedure for objecting against them, the amount of the administrative fine that may be imposed, where the value shall not exceed (10,000) ten thousand Omani Rials.
Thank you

Contact us

Ashok Hariharan
Partner
Head of Tax
E: ahariharan@kpmg.com

Aabha Lekhak
Director
Indirect tax
E: alekhak2@kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2019 KPMG Lower Gulf Limited, operating in the Oman and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. Printed in Oman.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.