Saudi tax glossary English · العربية

215 terms used in Saudi VAT, e-invoicing, Zakat, income tax, withholding tax, transfer pricing, RETT, excise and procedures, each with the Arabic wording ZATCA uses and a one-line plain-English meaning.

How we chose the Arabic. Each Arabic term was checked against the official Arabic texts published by ZATCA: VAT Law and Implementing Regulations, GCC VAT Agreement, E-Invoicing Regulation and Resolution, Income Tax Law and Regulations, Zakat Collection Regulations 1445H, RETT Implementing Regulations, the Arabic TP guideline, the Excise Tax Regulations and the VAT violations guide. ✓ shows where we found it (187 of 215). VERIFY marks terms in common ZATCA usage that we did not find in those texts.

General & procedures	36	Transfer pricing	20
VAT	50	RETT	20
E-invoicing	20	Excise & customs	10
Zakat	20	Compliance & disputes	15
Income tax & WHT	24		

Definitions are simplified. Rates and thresholds are as checked in November 2026. The Arabic legal text controls.

General & procedures · 36 — المصطلحات العامة والإجراءات

Assessment — الربط
ZATCA's determination or revision of the tax or Zakat due. *(ITL; Zakat IR)*
✓ VAT IR, E-Invoicing Regulation

Beneficial owner — المالك المستفيد
Under treaties, the person entitled to the income, not merely an intermediary. *(WHT guideline)*
✓ TP Guideline (AR)

Commercial registration — السجل التجاري
The Ministry of Commerce registration of a business; it is not a VAT registration. *(Guideline)*
✓ VAT IR, E-Invoicing Resolution

Control — السيطرة
The power to direct another person's decisions, including through ownership. *(ITL; TP Bylaws)*
✓ VAT IR, Income Tax Law

Double taxation agreement — اتفاقية تجنب الازدواج الضريبي
A treaty that allocates taxing rights and reduces tax for residents of the treaty states. *(WHT guideline)*
VERIFY

Due date — تاريخ الاستحقاق
The date by which tax must be paid or a return filed. *(VAT IR; RETT IR)*
✓ Income Tax IR, Zakat IR 1445H

Estimated assessment — الربط التقديري
An assessment based on the information available to ZATCA, e.g. where no return was filed. *(Zakat IR Art 114)*
✓ Income Tax IR, Income Tax IR

Fair market value — القيمة السوقية العادلة
The price independent parties would agree in comparable circumstances. *(VAT IR; RETT IR)*
✓ VAT Law, VAT IR

Gregorian year — السنة الميلادية
The solar calendar year; Zakat on a Gregorian year uses the day-count adjustment. *(Zakat IR)*
✓ Zakat IR 1445H, TP Guideline (AR)

Hijri year — السنة الهجرية
The lunar year (354 or 355 days); Zakat at 2.5% applies to a full Hijri year. *(Zakat IR)*
✓ Zakat IR 1445H

Implementing Regulations — اللائحة التنفيذية
Regulations issued under a tax law that set out its detailed rules. *(all)*
✓ VAT IR, E-Invoicing Regulation

Instalment plan — التقسيط
Payment of tax due in approved instalments. *(Res. 1117)*
✓ Income Tax Law, Income Tax IR

Late payment fine — غرامة التأخر في السداد
A fine charged for each month or 30-day period that tax remains unpaid. *(VAT Law Art 43; ITL Art 77)*
✓ Excise Tax IR

Legal person — الشخص الاعتباري
An entity with separate legal personality, such as a company. *(ITL Art 1)*
✓ VAT IR, Zakat IR 1445H

Natural person — الشخص الطبيعي
An individual human being, as opposed to a company or other legal person. *(ITL Art 1)*
✓ VAT IR, GCC VAT Agreement

Non-resident — غير المقيم
A person who does not meet the residence tests; taxed in KSA only on Saudi-source income or local activity. *(ITL Art 3)*
✓ VAT Law, VAT IR

Objection — الاعتراض
A taxpayer's formal challenge to a ZATCA decision, filed with ZATCA within the deadline. *(Zakat IR; ITL)*
✓ VAT Law, VAT IR

Penalty / fine — الغرامة
A financial sanction imposed for breach of a tax law. *(VAT Law Arts 40–45)*
✓ VAT Law, VAT violations guide

Permanent establishment — المنشأة الدائمة
A fixed place or other connection through which a non-resident carries on business in KSA. *(ITL Art 4)*
✓ Income Tax Law, Income Tax IR

Person — الشخص
Any natural or legal person, including companies and partnerships. *(VAT Law Art 1)*
✓ VAT Law, VAT IR

Reassessment — إعادة الربط
A revised assessment issued within the statutory limitation period. *(Zakat IR Art 106)*
✓ Income Tax IR, Income Tax IR

Records — السجلات
Books, documents and data a taxpayer must keep to support its returns. *(VAT IR; ITL)*
✓ VAT Law, VAT IR

Refund — الاسترداد
Repayment by ZATCA of tax overpaid or of excess input tax. *(VAT IR; RETT IR)*
✓ VAT Law, VAT IR

Related persons — الأشخاص المرتبطون
Persons linked by ownership or control whose dealings may be tested at market value. *(ITL Art 1; TP Bylaws)*
✓ VAT IR, Income Tax Law

Resident — المقيم
A person treated as resident in the Kingdom under the relevant law's tests. *(ITL Art 3)*
✓ VAT Law, VAT IR

Statute of limitations — التقادم
The period within which ZATCA may assess, normally 5 years and 10 in specified cases. *(Zakat IR Art 106)*
✓ VAT Law, VAT IR

Tax certificate — الشهادة
Certificate ZATCA issues to show a taxpayer's compliance status. *(Zakat IR)*
✓ VAT Law, VAT IR

Tax evasion — التهرب الضريبي
Deliberately reducing or avoiding tax by unlawful means; attracts the heaviest penalties. *(VAT Law Art 40)*
✓ VAT Law, Income Tax Law

Tax identification number — الرقم المميز
The unique number ZATCA assigns to a taxpayer. *(ITL; Zakat IR)*
✓ Income Tax Law, Zakat IR 1445H

Tax period — الفترة الضريبية
The monthly or quarterly period for which a VAT return is filed. *(VAT Law Art 1)*
✓ VAT Law, VAT IR

Tax representative — الممثل الضريبي
A person appointed to act for a non-resident in meeting Saudi tax obligations. *(VAT Law Art 1)*
✓ VAT IR, GCC VAT Agreement

Tax return — الإقرار الضريبي
The periodic declaration a taxpayer files with ZATCA showing the tax due. *(ITL; VAT IR)*
✓ VAT Law, VAT IR

Tax year — السنة الضريبية
The financial year used for income tax returns. *(ITL Art 1)*
✓ Income Tax Law, Income Tax IR

Taxable person — الشخص الخاضع للضريبة
A person carrying on an economic activity who is registered or required to register for VAT. *(VAT Law Art 1)*
✓ VAT Law, VAT IR

Zakat return — الإقرار الزكوي
The annual Zakat declaration of an accounts-based Zakat payer, filed within 120 days of year-end. *(Zakat IR Art 102)*
✓ Zakat IR 1445H, TP Guideline (AR)

Zakat, Tax and Customs Authority (ZATCA) — هيئة الزكاة والضريبة والجمارك
The Saudi authority that administers Zakat, VAT, income tax, RETT, excise and customs. *(all)*
✓ VAT IR, E-Invoicing Regulation

VAT · 50 — ضريبة القيمة المضافة

Agent — الوكيل
A person acting on behalf of a principal in a supply. *(VAT IR Art 11)*
✓ VAT IR, Income Tax Law

Apportionment — الخصم النسبي
Splitting input tax between taxable and exempt activity. *(VAT IR Art 51)*
✓ VAT IR

Bad debt relief — الديون المعدومة
Adjustment of output tax where the customer has not paid and conditions are met. *(VAT IR Art 40)*
✓ GCC VAT Agreement, Income Tax Law

Blocked input tax — الضريبة غير القابلة للخصم
Input tax that cannot be recovered, e.g. on entertainment or certain cars. *(VAT IR Art 50)*
VERIFY

Capital assets — الأصول الرأسمالية
Long-life assets subject to input tax adjustment over a set period. *(VAT IR Art 52)*
✓ VAT Law, VAT IR

Consideration — المقابل
Everything received or receivable in return for a supply, in money or otherwise. *(VAT Law Art 1)*
✓ VAT Law, VAT IR

Credit note
Document reducing the VAT on an earlier invoice. *(VAT IR Art 54)*

إشعار دائن
✓ VAT IR, GCC VAT Agreement

Debit note
Document increasing the VAT on an earlier invoice. *(VAT IR Art 54)*

إشعار مدين
✓ VAT IR, E-Invoicing Resolution

Deemed supply
A transaction treated as a supply, such as private use of business assets. *(VAT IR)*

التوريد المفترض
✓ VAT Law, VAT IR

Deregistration
Cancellation of VAT registration when the conditions are met. *(VAT IR)*

إلغاء التسجيل
✓ VAT Law, VAT IR

Disbursement
Cost paid as agent on behalf of a customer and recharged at cost outside VAT. *(VAT IR)*

المصروفات المدفوعة نيابة عن العميل
VERIFY

Economic activity
An activity conducted on an ongoing and regular basis, including commercial, industrial and professional work. *(VAT Law Art 1)*

النشاط الاقتصادي
✓ VAT Law, VAT IR

Error correction
Correcting an earlier VAT return; larger errors must be notified to ZATCA. *(VAT IR Art 63)*

تصحيح الأخطاء
✓ Income Tax IR, Zakat IR 1445H

Exempt supply
A supply on which no VAT is charged and related input tax is not recoverable (e.g. residential rent). *(VAT IR)*

التوريد المعفى
✓ VAT IR

Export of goods
Supply of goods transported outside the GCC; zero-rated with evidence. *(VAT IR Art 32)*

تصدير السلع
✓ VAT IR, GCC VAT Agreement

Exported services
Services to a non-GCC resident customer that may be zero-rated under Art 33. *(VAT IR Art 33)*

تصدير الخدمات
VERIFY

Financial services
Margin-based financial services that are generally exempt from VAT. *(VAT IR Art 29)*

الخدمات المالية
✓ VAT IR, GCC VAT Agreement

GCC Unified VAT Agreement
The framework agreement that the Saudi VAT Law implements. *(GCC Agreement)*

الاتفاقية الموحدة لضريبة القيمة المضافة لدول مجلس التعاون
✓ VAT Law, GCC VAT Agreement

Goods
Tangible property, including electricity, water, gas, real estate and similar. *(VAT Law Art 1)*

السلع
✓ VAT Law, VAT IR

Healthcare and education for citizens
Private health and education for Saudi citizens, zero-rated with the State bearing the tax. *(VAT IR)*

الخدمات الصحية والتعليمية الخاصة للمواطنين
VERIFY

Import of goods
Bringing goods into Saudi Arabia from outside the GCC; VAT is paid at customs. *(VAT Law)*

استيراد السلع
✓ VAT Law, VAT IR

Input tax
VAT paid on purchases and imports that a taxable person may deduct, subject to conditions. *(VAT Law)*

ضريبة المدخلات
✓ VAT Law, VAT IR

Input tax deduction
Recovery of eligible input tax against output tax in the VAT return. *(VAT IR Art 49)*

خصم ضريبة المدخلات
✓ VAT Law, VAT IR

Intra-GCC supply — التوريدات البينية
A supply between GCC member states under the GCC VAT Agreement. *(GCC Agreement)*
✓ VAT Law, VAT IR

Mandatory registration — التسجيل الإلزامي
Registration required when annual taxable supplies exceed SAR 375,000. *(VAT IR Art 3)*
✓ VAT IR, GCC VAT Agreement

Net tax — صافي الضريبة
Output tax less deductible input tax for a period. *(VAT IR)*
✓ VAT IR, RETT Law/IR

Out of scope — خارج نطاق الضريبة
A transaction that is not a supply for VAT purposes. *(VAT IR)*
✓ VAT Law, VAT IR

Output tax — ضريبة المخرجات
VAT charged by a supplier on its taxable supplies. *(VAT IR)*
✓ VAT Law, VAT IR

Place of supply — مكان التوريد
Where a supply is treated as taking place, deciding whether Saudi VAT applies. *(VAT Law)*
✓ VAT Law, VAT IR

Profit margin scheme — طريقة هامش الربح
Special scheme for used goods where VAT is charged on the margin only. *(VAT IR Art 48)*
✓ VAT IR, TP Guideline (AR)

Qualifying investment metals — المعادن الاستثمارية
Gold, silver and platinum of specified purity, zero-rated on first supply. *(VAT IR Art 35)*
✓ VAT IR

Real estate — العقار
Land and anything built on or fixed to it; for VAT, a type of goods. *(VAT Law Art 1)*
✓ VAT IR, GCC VAT Agreement

Residential real estate — العقار السكني
Property used as a home; its rental is exempt from VAT. *(VAT IR Art 30)*
✓ VAT IR

Reverse charge — الاحتساب العكسي
The customer, not the supplier, accounts for VAT, e.g. on imported services. *(VAT IR Art 47)*
✓ VAT IR, GCC VAT Agreement

Self-billing — فاتورة ذاتية
Customer issues the invoice on the supplier's behalf under an agreement. *(VAT IR Art 53)*
✓ GCC VAT Agreement

Services — الخدمات
Anything supplied that is not goods. *(VAT Law Art 1)*
✓ VAT Law, VAT IR

Simplified tax invoice — الفاتورة الضريبية المبسطة
A shorter invoice for consumers and qualifying supplies under SAR 1,000. *(VAT IR Art 53)*
✓ VAT IR, E-Invoicing Resolution

Standard rate — النسبة الأساسية
The 15% VAT rate applied to most supplies. *(VAT Law)*
✓ VAT IR, GCC VAT Agreement

Supply — التوريد
A transaction of goods or services for consideration (and certain deemed supplies). *(VAT Law)*
✓ VAT Law, VAT IR

Supply of goods — توريد السلع
Transfer of ownership of goods or the right to dispose of them as owner. *(VAT IR Art 2)*
✓ VAT Law, VAT IR

Supply of services — توريد الخدمات
Any supply that is not a supply of goods. *(VAT IR)*
✓ VAT IR, GCC VAT Agreement

Tax due — **الضريبة المستحقة**
The amount of tax payable for a period or transaction. *(VAT Law)*
✓ VAT Law, VAT IR

Tax invoice — **الفاتورة الضريبية**
The full invoice for B2B and B2G supplies, with the fields in Art 53(5). *(VAT IR Art 53)*
✓ VAT Law, VAT IR

Tax point / date of supply — **تاريخ التوريد**
The date VAT becomes due on a supply: the earlier of supply, invoice or payment. *(VAT Law)*
✓ VAT Law, VAT IR

Taxable supplies — **التوريدات الخاضعة للضريبة**
Supplies subject to VAT at 15% or 0%. *(VAT Law)*
✓ VAT Law, VAT IR

Value added tax (VAT) — **ضريبة القيمة المضافة**
Tax on the import and supply of goods and services at each stage of production and distribution; standard rate 15%. *(VAT Law Art 1)*
✓ VAT Law, VAT IR

VAT group — **مجموعة ضريبية**
Two or more related legal persons registered together as one taxable person. *(VAT IR Art 10)*
✓ VAT Law, VAT IR

VAT return — **إقرار ضريبة القيمة المضافة**
The periodic return declaring output tax, input tax and net VAT due. *(VAT IR Art 59)*
✓ Zakat IR 1445H

Voluntary registration — **التسجيل الاختياري**
Optional registration when supplies or expenses exceed SAR 187,500. *(VAT IR Art 5)*
✓ VAT Law, VAT IR

Zero-rated supply — **التوريد الخاضع لنسبة الصفر**
A taxable supply charged at 0%, with input tax still recoverable (e.g. exports). *(VAT IR)*
✓ VAT IR

E-invoicing · 20 — الفوترة الإلكترونية

Clearance — **الاعتماد**
Validation of a standard tax invoice by FATOORA before it is shared with the buyer. *(E-inv Res)*
✓ E-Invoicing Resolution, Zakat IR 1445H

Cryptographic stamp — **ختم التشفير**
Electronic stamp proving the source and integrity of an e-invoice. *(E-inv Res)*
✓ E-Invoicing Resolution

Cryptographic Stamp Identifier (CSID) — **الرمز التعريفي لختم التشفير**
Certificate ZATCA issues to an onboarded e-invoicing unit. *(Technical Guideline)*
VERIFY

E-invoicing — **الفوترة الإلكترونية**
Issuing, exchanging and storing invoices and notes in an electronic structured format. *(E-inv Reg)*
✓ VAT IR, E-Invoicing Regulation

Electronic invoice — **الفاتورة الإلكترونية**
A tax invoice generated in a structured electronic format through an electronic solution. *(E-inv Reg Art 1)*
✓ E-Invoicing Regulation, E-Invoicing Resolution

Electronic note — **الإشعار الإلكتروني**
A credit or debit note generated electronically. *(E-inv Reg Art 1)*
✓ E-Invoicing Resolution, VAT violations guide

Electronic solution — **الحل التقني**
The software or system that generates and stores e-invoices. *(E-inv Res)*
✓ E-Invoicing Regulation, E-Invoicing Resolution

FATOORA platform — **منصة فاتورة**
ZATCA's platform that clears and receives e-invoices. *(E-inv Res)*
✓ VAT violations guide

Generation phase (Phase 1) — مرحلة إصدار الفواتير الإلكترونية
From 4 Dec 2021: generate and store invoices with a compliant solution. *(E-inv Reg)*
✓ E-Invoicing Resolution

Integration phase (Phase 2) — مرحلة ربط أنظمة الفوترة الإلكترونية
Waves from 1 Jan 2023: integrate solutions with FATOORA; clearance and reporting. *(E-inv Res)*
✓ E-Invoicing Resolution

Invoice counter (tamper-resistant) — عداد غير قابل للتلاعب
Sequential counter of documents generated by an electronic solution. *(E-inv Res)*
✓ E-Invoicing Resolution

Invoice hash — دالة تشفير
Digital fingerprint of an invoice used to chain documents together. *(E-inv Res)*
✓ E-Invoicing Resolution

Onboarding — الربط
Registering an e-invoicing unit with FATOORA using an OTP and CSR to obtain its CSID. *(Technical Guideline)*
✓ VAT IR, E-Invoicing Regulation

PDF/A-3 — صيغة PDF/A-3
Optional human-readable invoice copy with the XML embedded. *(E-inv Res)*
✓ VAT IR, E-Invoicing Regulation

QR code — رمز الاستجابة السريعة
Code printed on invoices carrying the seller, VAT, time and amounts (and Phase 2 security data). *(E-inv Res)*
✓ E-Invoicing Resolution, VAT violations guide

Reporting — إرسال الفواتير الضريبية المبسطة
Sending a simplified invoice to FATOORA within 24 hours of generation. *(E-inv Res)*
✓ E-Invoicing Resolution

Tampering — التلاعب
Altering an e-invoice or its records after generation; prohibited. *(E-inv Res)*
✓ E-Invoicing Regulation, E-Invoicing Resolution

Universally unique identifier (UUID) — رقم التعريف الموحد عالميًا
Unique identifier generated for each e-invoice. *(E-inv Res)*
✓ E-Invoicing Resolution

Wave / targeted group — الفئات المستهدفة
The group of taxpayers ZATCA selects for Phase 2 by VAT-subject revenue. *(ZATCA announcements)*
✓ E-Invoicing Regulation, E-Invoicing Resolution

XML format — صيغة XML
The structured data format required for Phase 2 e-invoices. *(E-inv Res)*
✓ VAT IR, E-Invoicing Regulation

Zakat · 20 — الزكاة

Accounts-based Zakat payer — مكلف الحسابات
A Zakat payer that keeps regular books and files on its financial statements. *(Zakat IR)*
✓ Zakat IR 1445H

Activity result — نتيجة النشاط
The result of operations used in the Zakat calculation. *(Zakat IR)*
✓ Income Tax Law, Zakat IR 1445H

Additions to the base — البنود المضافة إلى الوعاء
Equity, provisions, funding and other items added to the Zakat base. *(Zakat IR)*
VERIFY

Adjusted net profit — صافي الربح المعدل
Accounting profit after the adjustments required by the Regulation. *(Zakat IR)*
✓ Zakat IR 1445H

Cooperative society — الجمعية التعاونية
Entity type with its own Zakat treatment under the Regulation. *(Zakat IR)*
VERIFY

Deductions from the base — البنود المحسومة من الوعاء
Fixed assets, qualifying investments and other items deducted from the base. *(Zakat IR)*
VERIFY

Fixed assets — الأصول الثابتة
Long-term assets used in the business and deducted from the base. *(Zakat IR)*
✓ Income Tax Law, Income Tax IR

Government sukuk — الصكوك الحكومية
Government debt instruments; Zakat on certain investors' holdings is borne by the State. *(Zakat IR)*
VERIFY

Hawl (full year) — الحول
A full Zakat year that must pass for Zakat to be due on an item. *(Zakat IR)*
✓ VAT Law, VAT IR

Maximum Zakat base — الحد الأعلى للوعاء الزكوي
Ceiling test on the base set by the Regulation. *(Zakat IR)*
✓ Zakat IR 1445H

Minimum Zakat base — الحد الأدنى للوعاء الزكوي
Floor on the base: not less than adjusted net profit. *(Zakat IR)*
✓ Zakat IR 1445H

Mixed company — الشركات المختلطة
Company with Saudi/GCC and foreign owners that pays both Zakat and income tax. *(ITL; Zakat IR)*
✓ TP Guideline (AR)

Nisab — النصاب
The minimum wealth threshold in Zakat; used in rules for individuals. *(Zakat IR)*
VERIFY

Provisions — المخصصات
Accounting provisions; some are added to the Zakat base. *(Zakat IR)*
✓ Income Tax Law, Income Tax IR

Zakat — الزكاة
Religious levy at 2.5% of the Zakat base, collected from Saudi/GCC-owned businesses. *(Zakat IR)*
✓ VAT Law, VAT IR

Zakat base — الوعاء الزكوي
The amount Zakat is charged on: equity and funding sources less qualifying deductions, subject to limits. *(Zakat IR Art 4)*
✓ Zakat IR 1445H

Zakat certificate — شهادة الزكاة
Certificate showing a filed return and paid Zakat, needed for government contracts and bank payments. *(Zakat IR)*
VERIFY

Zakat dues — المستحقات الزكوية
Zakat payable to ZATCA under a return or assessment. *(Zakat IR)*
✓ Zakat IR 1445H

Zakat payer — المكلف
The person required to pay Zakat under the Regulation. *(Zakat IR Art 1)*
✓ VAT IR, GCC VAT Agreement

Zakat year — العام الزكوي
The financial year for which Zakat is calculated. *(Zakat IR Art 1)*
✓ Zakat IR 1445H

Income tax & WHT · 24 — ضريبة الدخل وضريبة الاستقطاع

Advance payments — الدفعات المعجلة
Instalments of income tax paid during the year. *(ITL Art 62)*
✓ Income Tax Law, Income Tax IR

Branch — الفرع
A non-resident's permanent establishment in KSA, taxed on its income. *(ITL)*
✓ VAT IR, E-Invoicing Resolution

Capital company
Joint-stock and limited liability companies; taxed on non-Saudi shares. *(ITL Art 1)*

شركة الأموال
✓ Income Tax Law, Income Tax IR

Carried-forward losses
Tax losses carried to later years, with an annual use limit of 25% of taxable profit. *(ITL Art 21)*

ترحيل الخسائر
✓ Income Tax Law, Income Tax IR

Certificate of residence
Certificate from a treaty state confirming the recipient's tax residence. *(WHT guideline)*

شهادة الإقامة الضريبية
VERIFY

Corporate income tax rate
The general income tax rate of 20% of the taxable base. *(ITL Art 7)*

سعر الضريبة
✓ Income Tax Law, Income Tax IR

Deductible expenses
Ordinary, necessary and documented expenses incurred to earn taxable income. *(ITL Art 12)*

المصاريف الجائزة
✓ Income Tax Law, Income Tax IR

Depreciation
Tax deduction for the cost of fixed assets, calculated by asset groups. *(ITL Art 17)*

الاستهلاك
✓ VAT IR, Income Tax Law

Dividends
Distributed profits; WHT 5% when paid to non-residents. *(ITL Art 68)*

أرباح الأسهم
✓ Income Tax Law

Final tax return
Annual income tax return due within 120 days of year-end. *(ITL Art 60)*

الإقرار النهائي
✓ Income Tax IR, Income Tax IR

Gross income
All income from the activity before deductions. *(ITL Art 9)*

إجمالي الدخل
✓ Income Tax Law, Income Tax IR

Income tax
Tax on the taxable income of non-Saudi owners' share in resident companies and of non-residents' Saudi income. *(ITL)*

ضريبة الدخل
✓ Income Tax Law, Income Tax IR

Management fees
Fees for management services; WHT 20%. *(ITL Art 68)*

أتعاب الإدارة
✓ Income Tax Law, Income Tax IR

Natural gas investment
Activity with its own tax rate regime under the ITL. *(ITL Art 7)*

الاستثمار في مجال الغاز الطبيعي
✓ Income Tax IR, Income Tax IR

Non-deductible expenses
Expenses the law does not allow, e.g. penalties or personal expenses. *(ITL Art 13)*

المصاريف غير الجائز حسمها
✓ Income Tax Law

Oil and hydrocarbons production
Activity taxed at special rates under the ITL. *(ITL Art 7)*

إنتاج الزيت والمواد الهيدروكربونية
✓ Income Tax Law, Income Tax IR

Rent
Payments for the use of property; WHT 5% when paid to non-residents. *(IR Art 63)*

الإيجار
✓ VAT IR, GCC VAT Agreement

Royalties
Payments for the use of intellectual property and similar rights; WHT 15%. *(ITL Art 68)*

الإتاوات
✓ GCC VAT Agreement, Income Tax Law

Source of income
Where income is treated as arising; Saudi-source income is taxable in KSA. *(ITL Art 5)*

مصدر الدخل
✓ Income Tax Law, Income Tax IR

Taxable income / tax base
Gross income less allowable deductions, on which income tax is charged. *(ITL)*

الوعاء الضريبي
✓ Income Tax Law, Income Tax IR

Taxpayer
A person subject to income tax under the Income Tax Law. *(ITL Art 1)*

المكلف
✓ VAT IR, GCC VAT Agreement

Technical and consulting services
Services subject to 5% WHT when paid to non-residents. *(IR Art 63)*

الخدمات الفنية والاستشارية
✓ Income Tax IR

Treaty relief
Reduced WHT under a tax treaty, at source or by refund, with required forms. *(WHT guideline)*

تطبيق الاتفاقيات
VERIFY

Withholding tax (WHT)
Tax a resident payer deducts from payments to non-residents and pays to ZATCA. *(ITL Art 68)*

ضريبة الاستقطاع
✓ Income Tax Law, Income Tax IR

Transfer pricing · 20

تسعير المعاملات

Advance pricing agreement
Agreement with ZATCA on pricing future transactions. *(TP Bylaws Art 23)*

اتفاقية التسعير المسبق
✓ TP Guideline (AR)

Arm's length principle
Controlled transaction (related-person transaction)s should be priced as independent persons would price them. *(TP Bylaws Art 3)*

مبدأ السعر المحايد
✓ TP Guideline (AR)

Arm's length range
The range of results from reliable comparables. *(TP Bylaws)*

النطاق المحايد
VERIFY

Benchmarking study
Search for comparable independent data supporting an arm's-length price. *(TP guideline)*

دراسة المقارنة المعيارية
VERIFY

Comparability analysis
Comparison of functions, assets, risks and terms with independent cases. *(TP Bylaws)*

تحليل المقارنة
✓ TP Guideline (AR)

Comparable uncontrolled price method
Method comparing the price with independent transactions. *(TP Bylaws Art 5)*

طريقة السعر المحايد المقارن
✓ TP Guideline (AR)

Controlled transaction (related-person transaction)
A transaction between related persons. *(TP Bylaws Art 1)*

المعاملة بين الأشخاص المرتبطين
✓ TP Guideline (AR)

Controlled transaction (related-person transaction)s disclosure form
Annual form filed with the return listing related-party transactions. *(TP Bylaws Art 14)*

نموذج الإفصاح عن المعاملات بين أشخاص مرتبطين
✓ TP Guideline (AR)

Corresponding adjustment
Adjustment made in one country to match a TP adjustment in another. *(TP Bylaws)*

التعديل المقابل
VERIFY

Cost plus method
Method based on a mark-up on costs. *(TP Bylaws Art 5)*

طريقة التكلفة الإجمالية مضافًا إليها هامش الربح
✓ TP Guideline (AR)

Country-by-country report
Report for groups with consolidated revenue over SAR 3.2 billion. *(TP Bylaws)*

التقرير الخاص بكل دولة
✓ TP Guideline (AR)

Functional analysis
Review of the functions, assets and risks of each party. *(TP guideline)*

التحليل الوظيفي
✓ TP Guideline (AR)

Local file
Entity-level TP documentation of controlled transactions. *(TP Bylaws Art 16)*

الملف المحلي
✓ TP Guideline (AR)

Master file
Group-level TP documentation describing the business and policies. *(TP Bylaws Art 16)*

الملف الرئيس
✓ TP Guideline (AR)

Mutual agreement procedure — إجراءات الاتفاق المتبادل
Treaty process for resolving double taxation between authorities. *(TP Bylaws)*
VERIFY

Profit split method — طريقة تقسيم الأرباح
Method that splits combined profits between related parties. *(TP Bylaws Art 5)*
✓ TP Guideline (AR)

Resale price method — طريقة سعر إعادة البيع
Method based on the resale margin earned by a reseller. *(TP Bylaws Art 5)*
✓ TP Guideline (AR)

Tested party — الطرف المختبر
The party whose results are tested under the chosen method. *(TP guideline)*
VERIFY

Transactional net margin method — طريقة صافي هامش الربح
Method comparing net profit indicators. *(TP Bylaws Art 5)*
✓ TP Guideline (AR)

Transfer pricing — تسعير المعاملات
Setting prices for transactions between related persons at arm's length. *(TP Bylaws)*
✓ Zakat IR 1445H, RETT Law/IR

RETT · 20 — ضريبة التصرفات العقارية

Build-own-operate-transfer (BOOT) — البناء والتشغيل ثم نقل الملكية
Project model whose transfer has its own RETT timing. *(RETT IR Art 4)*
✓ Income Tax Law

Endowment (waqf) — الوقف
Property dedicated to charitable purposes; certain transfers to it are exempt. *(RETT Law Art 3)*
✓ VAT IR, Income Tax IR

Exemption — الإعفاء
Statutory relief from RETT for transactions in Law Art 3 meeting all conditions. *(RETT Law Art 3)*
✓ VAT Law, VAT IR

Expropriation — نزع ملكية
Compulsory taking of property for public benefit; exempt. *(RETT Law Art 3)*
✓ RETT Law/IR

First home — المسكن الأول
Citizen's first home; the State bears RETT on up to SAR 1 m. *(RETT Guideline §1.1)*
VERIFY

Gift — الهبة
Transfer without consideration; exempt only to specified relatives. *(RETT Law Art 3)*
✓ VAT IR, GCC VAT Agreement

In-kind contribution — الحصة العينية
Contribution of property to a company's capital in exchange for shares. *(RETT Law Art 3)*
✓ RETT Law/IR

Inheritance division — قسمة التركة
Distribution of an estate among heirs; exempt within legal shares. *(RETT Law Art 3)*
✓ Income Tax IR, Income Tax IR

Notarisation — التوثيق
Registration of the deed by a notary; RETT is paid on or before it. *(RETT Law)*
✓ RETT Law/IR, TP Guideline (AR)

Notary — الموثق
The official or accredited notary who registers the transfer. *(RETT Law)*
✓ RETT Law/IR, TP Guideline (AR)

Off-plan sale — البيع على الخارطة
Sale of units before completion by a licensed developer. *(RETT Guideline)*
✓ Zakat IR 1445H, RETT Law/IR

Possession for ownership — نقل حيازة
Handing over possession with intent to transfer ownership; a taxable transaction. *(RETT Law Art 1)*
✓ RETT Law/IR

Real estate company — الشركة العقارية
A company whose assets are mainly real estate, for the share-transfer rule. *(RETT IR)*
✓ RETT Law/IR

Real estate transaction — التصرف العقاري
Transfer of ownership or possession of real estate, a long usufruct, or qualifying interests in a real estate company. *(RETT Law Art 1)*
✓ RETT Law/IR

Real estate transaction tax (RETT) — ضريبة التصرفات العقارية
5% tax on the value of real estate transactions in the Kingdom. *(RETT Law)*
✓ Zakat IR 1445H, RETT Law/IR

Transaction value — قيمة التصرف العقاري
The agreed consideration, not less than fair market value. *(RETT IR Art 2)*
✓ RETT Law/IR

Transferee — المتصرف له
The person acquiring the real estate; may become jointly liable. *(RETT Law)*
✓ RETT Law/IR

Transferor — المتصرف
The person disposing of the real estate; liable for RETT. *(RETT Law)*
✓ Income Tax Law, RETT Law/IR

Usufruct right — حق الانتفاع
Right to use property; RETT applies where it exceeds 50 years. *(RETT Law Art 1)*
✓ RETT Law/IR, TP Guideline (AR)

White land fee — رسوم الأراضي البيضاء
Annual fee on undeveloped urban land, separate from RETT. *(WLT Law)*
VERIFY

Excise & customs · 10 — الضريبة الانتقائية والجمارك

Customs duty — الرسوم الجمركية
Duty charged on imports under the GCC Common Customs Law. *(Customs)*
✓ VAT IR, GCC VAT Agreement

Energy drinks — مشروبات الطاقة
Drinks subject to 100% excise tax. *(Excise IR)*
✓ Excise Tax IR

Excise goods — السلع الانتقائية
Goods subject to excise tax and their rates. *(Excise IR)*
✓ Excise Tax IR

Excise tax — الضريبة الانتقائية
Tax on goods harmful to health or the environment, e.g. tobacco, energy drinks and sweetened drinks. *(Excise IR)*
✓ Excise Tax IR

Release of goods — الإفراج عن السلع
Customs clearance allowing imported goods into the market. *(Customs)*
✓ Excise Tax IR

Retail sale price — سعر البيع بالتجزئة
Price basis used for excise tax. *(Excise IR)*
✓ Excise Tax IR

Rules of origin — قواعد المنشأ
Rules deciding where goods originate for preferential duty. *(Customs)*
VERIFY

Sweetened beverages — المشروبات المحلاة
Drinks with added sugar or sweeteners subject to excise. *(Excise IR)*
✓ Excise Tax IR

Tax warehouse — المستودع الضريبي
Licensed place where excise goods are held with tax suspended. *(Excise IR)*
✓ Excise Tax IR

Tobacco products — منتجات التبغ
Tobacco goods subject to 100% excise tax. *(Excise IR)*
✓ VAT IR, Excise Tax IR

Compliance & disputes · 15

الالتزام والاعتراضات

Bank guarantee — الضمان البنكي
Security that may be required before an appeal. *(ITL; VAT)*
✓ VAT IR, Income Tax IR

Electronic portal — البوابة الإلكترونية
ZATCA's online system for registration, returns and payments. *(ZATCA)*
✓ RETT Law/IR

Field inspection — الزيارات الميدانية
ZATCA visits to check compliance at business premises. *(VAT class. guide)*
VERIFY

General Secretariat of Zakat, Tax and Customs Committees — الأمانة العامة للجان الزكوية والضريبية والجمركية
Body that administers the committees that hear appeals. *(GSTC)*
VERIFY

Internal settlement committee — اللجنة الداخلية لغرض التسوية
ZATCA committee for settling disputes after an objection is rejected. *(Zakat IR)*
✓ Zakat IR 1445H

Penalty waiver initiative — مبادرة الإعفاء من الغرامات
ZATCA initiative cancelling qualifying fines; current window ends 31 Dec 2026. *(Res. 1117)*
VERIFY

Repeat violation — تكرار المخالفة
A same-type breach after a warning or fine, attracting a higher fine. *(VAT class. guide)*
✓ VAT Law, VAT violations guide

SADAD — سداد
National electronic bill-payment system used to pay ZATCA invoices. *(Zakat IR Art 102)*
✓ VAT Law, VAT IR

Tax audit / examination — الفحص
ZATCA's review of a taxpayer's records and returns. *(ITL; VAT IR)*
✓ VAT IR, Income Tax Law

Tax ruling — الرأي الضريبي
ZATCA's written view on how the law applies to a set of facts. *(ZATCA)*
VERIFY

Tax Violations and Disputes Committees — لجان الفصل في المخالفات والمنازعات الضريبية
Independent committees that decide tax disputes after ZATCA's objection stage. *(GSTC)*
✓ VAT Law, Income Tax Law

Taxpayer rights charter — ميثاق حقوق المكلفين
ZATCA document listing taxpayer rights and duties. *(ZATCA)*
VERIFY

Violation — المخالفة
A breach of the tax law or regulations. *(VAT class. guide)*
✓ VAT Law, VAT IR

Voluntary disclosure — الإفصاح الطوعي
Taxpayer-initiated correction of an error before ZATCA finds it. *(VAT IR Art 63)*
VERIFY

Warning — الإنذار
First step for many violations before a fine. *(VAT class. guide)*
✓ Income Tax IR, Zakat IR 1445H

Sources

1. ZATCA official Arabic texts (zatca.gov.sa › Rules and Regulations): نظام ضريبة القيمة المضافة (الإصدار العاشر، أبريل 2025)؛ اللائحة التنفيذية لنظام ضريبة القيمة المضافة؛ الاتفاقية الموحدة لضريبة القيمة المضافة؛ لائحة الفوترة الإلكترونية وقرار الضوابط والمتطلبات؛ نظام ضريبة الدخل ولائحته التنفيذية؛ اللائحة التنفيذية لجباية الزكاة 1445هـ؛ نظام ولائحة ضريبة التصرفات العقارية؛ الدليل الإرشادي الخاص بتسعير المعاملات؛ اللائحة التنفيذية للضريبة الانتقائية؛ الدليل المبسط لتصنيف مخالفات ضريبة القيمة المضافة.
2. dariba.co Saudi tax glossary (dariba.co/tax-glossary/) for English definitions.

Read more plain-English Saudi tax guides on dariba.co

Read on dariba.co →

Need it done for your company? **taxt.ai**

General information only, not tax or legal advice. Based on ZATCA publications and Saudi legislation as checked in November 2026. The Arabic legislation controls, rules change, and your actual facts and dates decide the answer.