هيئة الزكاة والضريبة والجمارك
Zakat, Tax and Customs Authority

Amendments to the Implementing Regulations of the Excise Tax Law

December 2025

Article	Pre-Amendment	Post-Amendment
Article (1): DEFINITIONS	Tax Base: The value of Excise Goods on which Tax is imposed, equals to the retail sales price determined by the importer or producer, or the standard price agreed on for these goods in accordance with the Agreement, whichever is higher; exclusive of the Tax due and VAT.	Tax Base: The value of Excise Goods upon which the tax is calculated in accordance with Paragraph (1) of Article (4) of these Regulations. It is represented by the highest value of any of the following prices, exclusive of the Tax Due and VAT: a. The Retail Sale Price as determined in accordance with the provisions of these Regulations by the importer, the producer, or any other person supplying Excise Goods for consumption in the Kingdom. b. The standard Retail Sale Price determined by ZATCA for tax purposes. c. The standard price for Excise Goods determined periodically among the tax authorities in the GCC Member States in accordance with the provisions of the Agreement.

Article	Pre-Amendment	Post-Amendment
Article (2): EXCISE GOODS	1. An Excise Tax shall be imposed on the following Goods: a. Tobacco Products. b. Soft Drinks. c. Energy Drinks. d. Sweetened Drinks. e. Electronic devices and tools used for electronic smoking and vaping devices, including their components and accessories. f. Liquids consumed in electronic smoking and vaping devices, including their components and accessories. 2. The definition of Excise Goods listed under Paragraph (1) of this Article shall be according to resolutions of the Ministerial Committee.	1. An Excise Tax shall be imposed on the following Goods: a. Tobacco Products. b. Energy Drinks. c. Sweetened Drinks, to be categorized as per the classes below: • Class 1: Sugar-free and containing artificial sweeteners only. • Class 2: Low sugar (containing a total sugar content of less than 5 grams per 100 milliliters). • Class 3: Medium sugar (containing a total sugar content ranging from 5 to 7.99 gm per 100 mL). • Class 4: High sugar (containing a total sugar content of 8 gm or more per 100 mL). d. Electronic smoking devices and similar devices and tools e. Liquids used electronic smoking devices, and similar tools. 2. The Governor of ZATCA may issue the decisions required to identify the range and definition of the Excise Goods listed under Paragraph (1) of this Article in accordance with the resolutions issued by the Ministerial Committee.
Article (3): TAX RATES	1. A Tax rate of 100% shall be imposed on tobacco products. 2. A Tax rate of 50% shall be imposed on Soft Drinks. 3. A Tax rate of 100% shall be imposed on Energy Drinks. 4. A Tax rate of 50% shall be imposed on Sweetened Drinks. 5. A Tax rate of 100% shall be imposed on electronic smoking and vaping devices, including their components and accessories. 6. A Tax rate of 100% shall be imposed on Liquids consumed in electronic smoking and vaping devices, including their components and accessories.	1. A Tax Rate of 100% shall be imposed on Tobacco Products. 2. A Tax Rate of 100% shall be imposed on Energy Drinks. 3. A Tax Rate shall be imposed on Sweetened Drinks as follows: • Class 1: SAR 0/liter • Class 2: SAR 0/liter • Class 3: SAR 0.79/liter • Class 4: SAR 1.09/liter 4. A Tax Rate of 100% shall be imposed on electronic smoking, and similar tools. 5. A Tax Rate of 100% shall be imposed on Liquids used in electronic smoking, and similar tools.

Article	Pre-Amendment	Post-Amendment
Article (4): TAX CALCULATION	1. The Tax Due shall be calculated by applying the Excise Tax Rates determined for each Excise Goods, to the Tax Base of that goods. 2. The Tax Due shall be calculated based on the Tax Rate applicable at the time of releasing of the Excise Goods for consumption 3. In case that multiple Tax Rates can be applied to the goods, the higher excise tax shall be applied.	1. The Tax Due on the Excise Goods provided in Paragraphs A, B, D and E of Article 2 of these Regulations shall be calculated by applying the Tax Rates for each Excise Good to its Tax Base. 2. The Excise Tax due on the Excise Goods stipulated in Paragraph C of Article (2) of these Regulations shall be calculated by applying the corresponding Tax Rate for each Class specified in Paragraph (3) of Article (3) of these Regulations to the number of liters released for consumption of the Goods included in that Class. 3. In the event that the Excise Goods provided in Paragraph (2) of this Article are released for consumption in the form of concentrates, powders, gels, or extracts, the Tax Due shall be calculated as per the total sugar content in the final ready-to-drink beverage after dilution. This shall be calculated by applying corresponding Tax Rate for each Class specified in Paragraph (3) of Article (3) of these Regulations to the number of liters of the final ready-to-drink beverage prepared from those concentrates, powders, gels, or extracts, in accordance with the dilution rate instructions provided on the product released for consumption. 4. The Governor of ZATCA may determine the methodology to calculate the dilution rate for the purposes of calculating the Tax Due in the event that no dilution instructions are specified on the product as per to Paragraph (3) of this Article, or in the event that such instructions are proven to be incorrect. 5. The Tax Due shall be calculated according to the Tax Rate applicable at the time the Excise Goods are released for consumption. 6. In the event of multiple Tax Rates that may apply to the Excise Good, the highest Tax Rate shall apply.

Article	Pre-Amendment	Post-Amendment
CHAPTER (6): TAX BASE	CHAPTER (6): TAX BASE	CHAPTER (6): Retail Sale Price
Article (8): RETAIL SALES PRICE	1. The retail Sales Price shall be determined, in accordance with the provisions of the Agreement. 2. Upon the request of the Authority or GAZT, the person liable for the payment of the Tax Due shall provide evidence substantiating the validity of declared Retail Sales Price. 3. If no or insufficient evidence is provided in accordance with the second (2) paragraph of this Article, or if the Authority or GAZT has reasonable doubt with respect to the validity of the declared retail sales price, the Authority or GAZT shall have the right to reject such prices and determine the correct price to be used for calculating the Tax Due, in accordance with the provisions of the Regulations. 4. The Retail Sales Price of concentrates, powders, gels, and extracts which are subject to Excise Tax and are sold directly to the end consumers shall be the announced retail price of such goods. 5. Subject to the forth (4) paragraph of this Article, the retail sales price for the remaining concentrations, powders, gels or extracts shall be calculated, according to the criteria set by the Authority.	1. For tax purposes, the Retail Sale Price of an Excise Good shall mean the price of the retail sale to the final consumer, inclusive of all taxes, fees, and any other charges borne by the final consumer. 2. Upon ZATCA's request, the person liable for the payment of the Tax Due shall provide evidence substantiating the validity of the Retail Sale Price declared by them upon calculating the Tax Due. 3. If no or insufficient evidence is available in accordance with Paragraph 2 of this Article, or if ZATCA has reasonable grounds to doubt the accuracy of the declared Retail Sale Price, ZATCA shall have the right to reject such prices and it may determine a reference Retail Sale Price for tax purposes in a manner that reflects the correct Retail Sale Price, in accordance with the provisions of the Regulations. 4. (...) 5. Subject to Paragraphs (2), (3), and (4) of this Article, the reference Retail Sale Price and the Retail Sale Price for the remaining concentrations, powders, gels or extracts shall be calculated according to the criteria determined by the Governor of ZATCA.

Article	Pre-Amendment	Post-Amendment
Article (9): TAX STAMPS	1. Valid Tax Stamps shall be affixed to the designated Excise Goods, and shall be activated prior to releasing for consumption in the Kingdom. The Authority shall determine the procedures for activation and verification of Tax Stamps. 2. The following Excise Goods shall be considered as Designated Excise Goods: a. Tobacco Products. b. Soft Drinks. c. Energy Drinks.	1. Valid Tax Stamps shall be affixed to the Designated Excise Goods, and shall be activated before they are released for consumption in the Kingdom. ZATCA shall determine the procedures related to the activation of Tax Stamps and the verification of their validity. 2. The following Excise Goods shall be considered as Designated Excise Goods: a. Tobacco Products. b. Energy Drinks. (...)
ARTICLE (15): REPORTING of TAX DUE on IMPORTATION	1. In case of importing Excise goods and releasing it for consumption, the amount of Tax Due shall be calculated by GAZT based on the Tax Base of these goods and in accordance with the procedures specified in the Common Customs Law. 2. For the purposes of the First paragraph of this Article, the importer shall provide the following information to GAZT: a. Information on the type of Excise Goods intended to be released. b. The retail sales price of these Excise Goods. c. Any other information requested by GAZT. 3. If GAZT finds that imported Excise Goods have not been declared, they shall inform the Authority accordingly.	1. In case of importing Excise Goods and releasing them for consumption in the Kingdom, the importer shall declare the Tax Due according to the method for calculating the tax applicable to Excise Goods, pursuant to Article (4) of these Regulations, and as per the procedures specified in accordance with the Common Customs Law. 2. For the purposes of Paragraph (1) of this Article, the importer shall provide ZATCA with all information necessary to calculate the Tax Due as stipulated in Article (4) of these Regulations, along with any other information deemed necessary by ZATCA for tax purposes. 3. The importer shall be responsible for the accuracy of all information declared and submitted to ZATCA upon importation pursuant to Paragraphs (1) and (2) of this Article, upon which the calculation of the Tax Due was based. Permitting the importation of Excise Goods and releasing them for consumption in the Kingdom based on the information declared by the importer shall not be deemed as approval by ZATCA of the accuracy of such information.

Article	Pre-Amendment	Post-Amendment
Article (16): TAX RETURNS	1. The tax periods shall be associated with the State's fiscal year, and each tax period shall be two calendar months so that there would be six (6) tax periods in one fiscal year, the Registrant shall file a tax return within fifteen (15) days after the end of the tax period on the goods that have been released from Tax Suspension Arrangement during that period, by using the appropriate form prescribed by the Authority, the form shall include at least the following information: a. Information about the Excise Registrant submitting the Excise Tax Return; 2. After the end of Tax period, if the period for which the Registrant shall file an Excise Tax Return on the goods that have been released from a Tax Suspension Arrangement, does not exceed one month, the Authority may include this Tax period in the following Tax period for that person, as a one-time procedure.	1. The Tax Periods shall be associated with the State's fiscal year, and each tax period shall be two calendar months such that there are six (6) tax periods in one fiscal year. The Licensee shall submit a tax return to ZATCA for each tax period prior to the end of the last day of the month following the end of that tax period. The return shall explain the details of the Tax Due on the taxable Excise Goods released for consumption and released from a tax suspension during that period, using the form prepared by ZATCA for this purpose, provided that it includes at least the following information: A. Information on the Licensee submitting the Tax Return. (...) 2. After the end of the Tax Period, if the period for which the Licensee shall file an Excise Tax Return on the Goods released for consumption from a Tax Suspension Arrangement does not exceed one month, ZATCA may include this Tax Period in the following Tax Period for that person as a one-time procedure.

Article	Pre-Amendment	Post-Amendment
Article (17): TAX ASSESSMENT AND DISCLOSURE	1. If the importer has not properly disclosed the tax due on import and this led to a deficiency in the amount of tax due to the Authority, it shall notify the Authority within fifteen (15) days from the date of its knowledge, using the form prepared for that purpose by ZATCA. 2. If the Registrar finds an error or inaccuracy in his tax return submitted to ZATCA, which led to a deficiency in the amount of tax due to the Authority, it shall correct that return within 15 days from the date of his knowledge. 3. (...) 4. ZATCA shall calculate the tax due amount on the Excise Goods, in accordance with the provisions of the Regulations; if the person liable for the payment of the Tax due fails to disclose it properly to ZATCA. 5. For the purposes of this Article, an incorrect import declaration, Excise Tax Return or any other form prepared by ZATCA shall mean any import declaration or Excise Tax Return which has led to an incorrect calculation of the Tax Due. 6. ZATCA shall inform the person liable for the payment of the Tax with the amount of tax due by a written notification. The written notification shall include the grounds on which ZATCA calculates the amount of tax due.	1. If the importer becomes aware that it did not correctly disclose the Tax Due upon importation and this led to a shortfall in the amount of the Tax Due declared to ZATCA, it shall notify the Authority within fifteen (15) days from the date of its becoming aware of such shortfall, using the form prepared for that purpose by ZATCA. 2. If the Licensee becomes aware of an error or inaccuracy in the tax amount declared in the tax return submitted to ZATCA, which led to a shortfall in the amount of the Tax Due to ZATCA, it shall correct that tax return within fifteen (15) days from the date of becoming aware of such error or inaccuracy. 3. (...) 4. If it is proven to ZATCA that the importer, the Licensee, or any other person liable for the payment of the Tax Due, has calculated the Tax Due and disclosed it incorrectly in an import declaration, an Excise Tax return, or any other form prepared by ZATCA, the latter shall have the right to conduct a Tax Assessment or Tax Re-assessment in accordance with these Regulations. 5. For the purposes of this Article, an import declaration, an Excise Tax return, or any other form prepared by ZATCA for the purposes of reporting the Tax Due, shall be deemed incorrect if the information disclosed therein resulted in an erroneous calculation of the Tax due in accordance with the provisions of the Law and the Regulations. 6. ZATCA shall inform the person liable for paying the Tax, by a written notice, of the amount of the Tax Due resulting from the Tax Assessment or Tax Re-assessment conducted by ZATCA, provided that such notice includes the reasons that led to the re-calculation of the amount of the Tax Due resulting from the Assessment or Re-assessment, along with any penalties that may be incurred and the date by which such amounts shall be paid. 7. As provided for in Article (22) of the Law, a late payment penalty shall be calculated on the amount of the shortfall in the unpaid Tax Due, starting from the day following the expiration of the deadline specified for the payment of the Tax Due and in accordance with the provisions of Article (18) of these Regulations.

Article	Pre-Amendment	Post-Amendment
Article (18): PAYMENT OF TAX DUE	(..) The payment of Tax Due reported by an Excise Tax Return shall be made to the Authority no later than fifteen (15) days after the end of the Tax return period. (..)	(..) **4.** The Licensee shall pay the Tax Due, which shall be declared within the Excise Tax Return to be submitted to ZATCA, before the end of the last day of the month following the end of the Tax Period related to such Return. (..)
Article (22) (bis): REGISTRATION OF EXCISE GOODS	New Article	**1.** The importer, producer, or any other person releasing Excise Goods for consumption in the Kingdom shall register such Goods with ZATCA prior to their release for consumption, as per the mechanism and form set by ZATCA. **2.** The information for registering Excise Goods with ZATCA shall include the data required for calculating the Tax Due pursuant to Article (4) of these Regulations, along with any other information as ZATCA deems necessary for the purposes of classifying the Goods and identifying their content, including supporting documents for the accuracy of the information provided in the registration form. **3.** The importer, producer, or any other person releasing Excise Goods for consumption in the Kingdom shall inform ZATCA of any change to the information previously provided to ZATCA in the registration form immediately upon becoming aware thereof, and no later than the date of the subsequent release of such Excise Goods in the Kingdom. **4.** In the event that the information provided to ZATCA in the registration form referred to in Paragraph (2) of this Article is incorrect, or if ZATCA has reasonable grounds to doubt its accuracy, ZATCA may take any of the following actions: **a.** Amending the registration of Excise Goods based on the highest applicable Tax Rate or according to the data available to ZATCA until its accuracy is proven by the applicant or verified by ZATCA. **b.** Requiring the importer, producer, or any other person releasing Excise Goods for consumption in the Kingdom to update the registration of the Excise Goods.

		c. Requiring the importer, producer, or any other person releasing Excise Goods for consumption in the Kingdom to provide laboratory results and reports from laboratories accredited by the competent authority, or any other supporting documents to confirm the accuracy of the information provided in the registration form. d. Requesting the competent authority to take a sample of the Excise Goods in question for verification and to provide laboratory results and reports showing the technical details of such Goods, in accordance with what is agreed upon between ZATCA and the competent authority. 5. The laboratory results and reports used to prove the accuracy of the information provided in the registration form shall meet the following criteria: a. The report shall be issued by an laboratory accredited by the competent authority for the purposes of conducting the technical tests related to the nature, components, and elements of the product. b. The laboratory shall hold an accreditation certificate specified by the competent authority in accordance with relevant laws and regulations. c. The laboratory results and reports shall involve all technical and procedural details required in accordance with the rules and requirements set by the competent authority. d. The laboratory results and reports shall meet the technical requirements and Saudi standard specifications issued by the competent authority, specifying the criteria used to prepare such laboratory results and reports. 6. If Excise Goods are not registered, or if the information previously submitted in the registration form is not updated in accordance with this Article, ZATCA may register or amend the registration of such Goods based on the highest Tax Rate or data available to it until the necessary information is provided and its accuracy is verified, or impose a tax assessment pursuant to the provisions of Article (17) of these Regulations. 7. ZATCA shall notify the importer, producer, any other person releasing such Goods for consumption in the Kingdom of any decision issued according to the provisions of Article (17). In accordance with Article (27) of the Excise Tax Law, such person has the right to object to such decision.

Article	Pre-Amendment	Post-Amendment
Article (26): CONDITIONS FOR GRANTING A TAX WAREHOUSE LICENSE	2. A location where no Excise Goods are being produced, is only eligible as a location for a Tax Warehouse license if all of the following criteria fulfilled: a. The average quantity of Excise Goods being held there over the course of twelve (12) calendar months is more than any of the following: 1. 2.5 million (2.500.000) liters of Soft Drinks, Energy Drinks or Sweetened Drinks.	(...) 2. A location where no Excise Goods are produced is eligible to obtain a Tax Warehouse license if all of the following conditions are fulfilled: a. The average quantity of Excise Goods held at such location over the course of twelve (12) calendar months exceeds any of the following thresholds: 1. 2.5 million (2.500.000) liters of Energy Drinks or Sweetened Drinks.
ARTICLE (30): FINANCIAL SECURITY	1. (...). 2. For the purposes of the first paragraph of this Article, the amount of Tax that may become due shall be calculated on the basis of the sum of the following estimated quantities and corresponding retail sales prices: a. The quantity of Excise Goods held in the Tax Warehouse; b. The quantity of Excise Goods being released for consumption over the course of a calendar month; and c. The quantity of Excise Goods being placed under a subsequent Tax Suspension Arrangement over the course of a calendar month. (...)	1. (...). 2. In accordance with Paragraph (1) of this Article, the amount of the Tax that may become due shall be calculated on the basis of the sum of the following estimated quantities set out below, and the Tax that may be due thereon, which shall be calculated in accordance with Article (4) of these Regulations in the event of their release for consumption in the Kingdom: a. The quantity of Excise Goods held in the Tax Warehouse during a calendar month; b. The quantity of Excise Goods released for consumption during a calendar month; and c. The quantity of Excise Goods placed under a Tax-Suspension Arrangement during a calendar month. 3. (...). 4. (...). 5. (...). 6. ZATCA may determine a minimum amount for the financial guarantee if the Tax Due according to this Article is zero Saudi Riyals.

Article	Pre-Amendment	Post-Amendment
Article (49): DEDUCTION OF TAX FOR EXCISE GOODS USED IN PRODUCTION	1. Where a Tax Warehouse Licensee has paid tax in respect of excise goods, which have been used in the production of other excise goods, this tax may be deducted from total tax due. 2. The deduction of tax due shall be effectuated via the excise tax return for the tax warehouse in which the excise goods were used as a material in the production process. 3. The deducted tax shall be the amount of tax which has been paid on the excise goods used as raw materials in the production process covered by the tax return.	1. Where a Tax Warehouse Licensee has paid Tax in respect of Excise Goods, which were used in the production of other Excise Goods subject to the Tax, this tax may be deducted from the total Tax Due. This is for the purpose of exporting or releasing them for consumption, provided that the Licensee possesses evidence substantiating such use and evidence of payment of the excise tax subject to deduction. 2. The tax shall be deducted in the Excise Tax return of the Tax Warehouse in which the Excise Goods were used as raw materials in the production process of other taxable Excise Goods. 3. The tax shall be deducted in the tax return submitted to ZATCA for the Tax Period during which the Excise Goods were used as raw materials in the production process of other taxable Excise Goods, or in any subsequent tax return, up to a maximum of twenty-four (24) calendar months from the date of releasing such Goods as raw materials for production or consumption in the Kingdom. 4. The Excise Tax paid on Excise Goods used in the production of non-taxable Goods to which the definition of Excise Goods does not apply, pursuant to the provisions of Article (2) of these Regulations, may not be deducted. 5. If the tax return submitted by the Licensee results in a tax amount they are entitled to refund as per the provisions provided in this Article, the Licensee may submit a refund request as per the provisions of Article (50) of these Regulations, provided that both of the following conditions are fulfilled: a. The refund request shall be submitted to ZATCA within six (6) months from the end date of the Tax Period of the return from which the tax subject to the refund request arose. b. The amount of the Excise Tax subject to the refund request exceeds SAR 3,000.

Article	Pre-Amendment	Post-Amendment
Article (60): EXCISE GOODS HELD AT THE DATE OF EFFECTIVENESS OF THE LAW	(...) 5. This Article shall also apply to any amendments to the Agreement, the Law or These Regulations, the enactment or amendment of any other laws, or issuance of any decisions which result in an increase in tax rates or the tax base for Excise Goods, or additional goods becoming subject to Tax. The provisions of the first (1), second (2), and third (3) paragraphs shall be applied as of the date of entry into force of such amendments, laws, or decisions. 6. Notwithstanding the provisions of the fifth (5) paragraph of this Article, in the case of the entry into force of any amendments of the Agreement, the Law or these Regulations, or the enactment or amendment of any other laws or issuance of any decisions which result in increased Tax rates or tax base for Excise Goods, such goods shall be considered specified for commercial purposes pursuant to the first (1) paragraph of this Article if as a result of increased Tax rates the Tax due exceeds twenty thousand (20,000) Saudi Riyal. 7. If the Tax Warehouse license application as referred to in paragraph (2) of Article (62) is rejected by the Authority, the period specified in paragraph (3) of this Article shall commence as of the date on which the license applicant is notified of the rejection.	5. This Article shall be applicable to any amendments to the Agreement, the Law, or these Regulations, the enactment or amendment of any other laws, or the issuance of any decisions which result in an increase in Tax Rates or the Tax Base or Tax Base for Excise Goods, leading to an increase in the Tax Due or the application of the Excise Tax on any other Goods. The provisions of Paragraphs (1), (2), and (3) shall be applied as of the effective date of such amendments, laws, or decisions. 6. Without prejudice to the provisions of the Paragraph (5) of this Article, in the case of the entry into force of any amendments of the Agreement, the Law or these Regulations, or the enactment or amendment of any other laws or issuance of any decisions which result in increased Tax Rates or Tax Base for Excise Goods, resulting in the increase of the Tax Due, such Goods shall be considered specified for commercial purposes pursuant to Paragraph (1) of this Article if such increase results in of higher Tax Rates the Tax due exceeds twenty thousand (20,000) Saudi Riyals. 7. Taxpayers registered with ZATCA for Excise Tax purposes who have released Excise Goods for consumption in the Kingdom, and where a reduction in the Tax Rate imposed thereon occurs as a result of the entry into force of any amendments to the Agreement, the Law, these Regulations, the issuance or amendment of any other regulations, or the issuance of any decisions resulting in a reduction in the Tax Rate imposed on Excise Goods released for consumption, may submit a refund request for the tax difference that was due and calculated in excess on those goods Compared to the Tax Due after the reduction due upon the reduction of the Tax Rate, in accordance with the following: a. The Goods subject to the refund request shall be held by the applicant on the date the amendments resulting in the Tax Rate reduction came into effect, and must not be sold the applicant on or before such date. b. The refund request shall be submitted to ZATCA within ninety (90) days from the effective date of the Tax Rate reduction, provided that the tax subject to the refund request has been paid to ZATCA prior to submitting the request.

		c. The refund amount claimed shall be within the limit of the tax difference resulting from the reduction. d. The amount of the tax difference resulting from the reduction shall be reflected as a reduction in the Retail Sale Price of such Excise Goods upon their sale. The applicant shall have supporting documents to evidence this. e. The request shall be submitted Using the form prescribed by ZATCA, accompanied by the required documents. f. ZATCA shall have the right to obtain any additional documents or information prior to issuing its decision regarding the refund request. g. ZATCA shall examine the refund request and issue its decision in accordance with the provisions set forth in Article (54) of these Regulations. 8. If the Tax Warehouse license application as referred to in Paragraph (2) of Article (62) is rejected by ZATCA, the period specified in Paragraph (3) of this Article shall commence from the date which the license applicant is notified of the rejection.



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