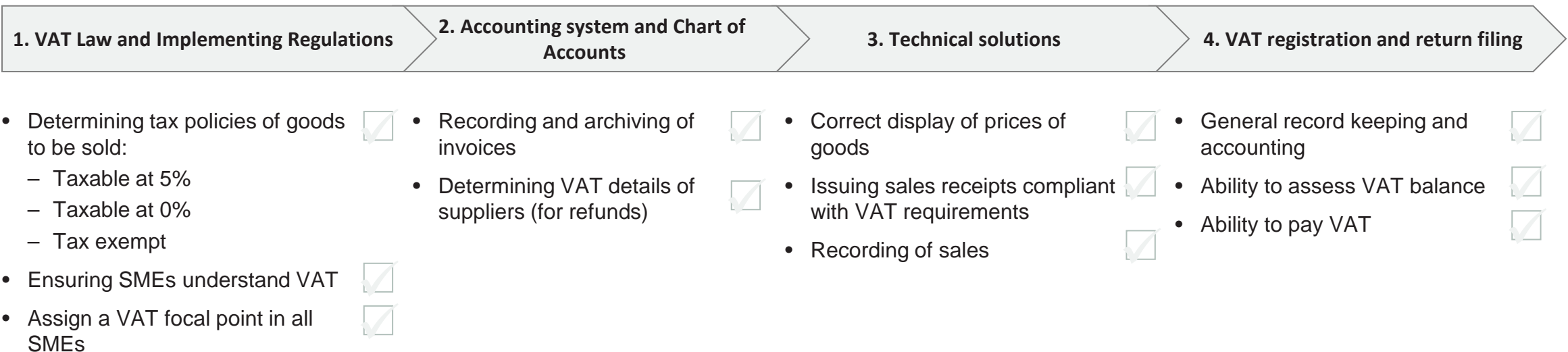


SME Readiness Checklist



SMEs needs to fulfil a number of requirements before VAT launch in January 2018

VAT Requirements



1. VAT Law and Implementing Regulations

Checklist

Category	Requirements	Level of readiness
1. VAT Law and Implementing Regulations	VAT understanding	<ul style="list-style-type: none"> • Most of the company don't know about VAT • Most of the company have a vague understanding of VAT • Most of the company knows about VAT and we have discussed internally VAT implications on the business
	Determining tax policies of goods to be sold	<ul style="list-style-type: none"> • I don't know which rate apply to my goods • I assume that all my goods are taxed at 5% • I know the goods that are taxed at 5%, the rest are exempts or zero rated • I know which goods are taxed at 5%, which one are exempts, and which one are zero rated
	Focal point in the company in charge of all VAT matters	<ul style="list-style-type: none"> • I have not designated a specific person yet • I have assigned one person responsible for all VAT but I have not made it official yet • I have assigned one person and I have made it official • I have assigned one person, made it official and the focal point is in contact with GAZT

2. Accounting system and Chart of Accounts

Checklist

Category	Requirements	Level of readiness
2. Accounting system and Chart of Accounts	Recording and archiving of invoices	<ul style="list-style-type: none"> • Invoices are not recorded nor archived • Invoices are recorded / archived but not in line with VAT record management requirements • Invoices are recorded / archived but not in line with VAT record management requirements which are fully understood • VAT record management requirements are fully understood and the necessary changes are being made to address our invoices recording and archiving approach • I have aligned our invoice record and archive methodology as per VAT requirements
	Determining VAT details of suppliers (for refunds)	<ul style="list-style-type: none"> • Not addressed yet • I have identified the supplier who are subject to VAT registration • I have identified the supplier who are subject to VAT registration and requested their registration number / certificates • I have identified the supplier who are subject to VAT registration and received their registration number / certificates • I have identified the supplier who are subject to VAT registration, received their registration number / certificates, and stored them in a consolidated database

3. Technical solutions

Checklist

Category	Requirements	Level of readiness
3. Technical solutions	Display good prices	<ul style="list-style-type: none"> • Not addressed – all goods prices displayed are excluding VAT • Some goods prices displayed are excluding VAT and others including VAT • All goods price are excluding VAT and I m in the process of creating price tag VAT inclusive • All goods prices are VAT inclusive
	Issuing sales receipts compliant with VAT requirements	<ul style="list-style-type: none"> • Not addressed yet • VAT invoice requirements understood and required changes identified • Templates for invoices with VAT positions have been created • Invoices produced are VAT compliant
	Recording of sales	<ul style="list-style-type: none"> • Sales are not recorded • Sales are recorded but not in line with VAT record management requirements • VAT record management requirements are understood • Sales are being recorded as per VAT record management requirements

4. VAT registration and return filing

Checklist

Category	Requirements	Level of readiness
4. VAT registration and return filing	General record keeping and accounting	<ul style="list-style-type: none"> • Not addressed • VAT treatment of transactions are fully understood • Business transactions classified and recorded according to VAT treatment
	Ability to assess VAT balance	<ul style="list-style-type: none"> • Not addressed • Methodology to calculate output VAT and input VAT are under review • Methodology to calculate output VAT and input VAT are fully understood • Calculation of output VAT and input VAT has been tested and is fully operational
	Ability to pay VAT balance	<ul style="list-style-type: none"> • Not addressed • No clarity on VAT payment channels • VAT payment channels are understood • VAT payment channels are fully understood and supported by the required tools



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