



13 March 2022

Bahrain

Economic Substance return due by 31 March 2022

Did you know that your entity may be required to submit an Economic Substance (ES) return by **31 March 2022** if you:

1. are carrying out a “relevant activity”, or
2. have a “relevant activity” code on your commercial registration.

Which activities trigger an ES return filing obligation?

- Distribution and service centre
- Headquarters
- Holding company
- Leasing
- Shipping
- Intellectual property
- Banks
- Financing companies
- Insurance
- Investment firms (CBB categories 1 & 2)
- Fund administrators

What should entities do?

- carry out a review of the activities undertaken (both in form and substance) to confirm if they constitute a ‘relevant activity’ under the Bahrain ES rules
- assess whether your entity will need to file an ES return
- assess the specific substance requirements that would apply, based on the identified relevant activities
- assess the Core Income Generating Activity (CIGA) for each “relevant activity” category identified
- assess whether the entity is being directed and managed from Bahrain
- register on the National Bureau for Revenue [ITIES](#) portal
- complete and submit the ES return

There are a number of supporting documents that you are required to submit when filing your ES return.

We have the largest and most experienced team handling ES return engagements in Bahrain. **If you require assistance with ES return filing contact us.**

The above is for general information only and is not intended to address the circumstances of any particular scenario. Please seek professional advice in relation to your particular circumstances.

For a detailed discussion on how the above may impact your business, [contact us](#).

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Setting up a new business? Expanding or restructuring an existing one?

KPMG can assist with selecting the most suitable legal entity and support you with all required regulatory approvals and licenses. We provide commercially focused regulatory and business advice for organizations to maintain compliance with the Bahrain Commercial Companies Law, Central Bank of Bahrain rulebook, other local regulations and leading industry practices.

Click [here](#) to learn more about KPMG Corporate Services

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