

NEWSLETTER



Tax Updates: New PIT Law Announced & Tax Awareness Drives Continue

The Tax Authority Boosts Tax Culture Initiative with Intensive Awareness Programs

The Tax Authority in Oman continues to implement the third phase of its "Tax Culture Initiative" in Al Batinah North and South Governorates, in collaboration with various public and private entities. The initiative aims to promote tax awareness, encourage voluntary compliance, and support a sustainable national economy through public engagement.

Key activities last week included:

- Field Presence: Tax specialists were available at major commercial centers like Nesto Hypermarket (Saham), City Centre (Sohar), Lulu Hypermarket, Grand Center (Barka), and Golden Dragon Markets, offering guidance, tax services, and answering public inquiries.
- Workshops: Educational workshops were held at Sohar University, Saham Vocational College, and the Omani Women's Association, focusing on practical tax procedures and the role of women in fostering tax culture.
- Awareness Outlets: Strategic tax information booths were set up to make tax services more accessible to the public.

The initiative focuses on simplifying tax concepts" to "The initiative focuses on simplifying tax concepts for businesses and individuals".

[Read the official update- Click here](#)



Issuance of Personal Income Tax (PIT) Law

His Majesty Sultan Haitham bin Tarik has issued Royal Decree No. 56/2025, introducing the Personal Income Tax (PIT) Law in Oman. The law includes 76 articles across 16 chapters and will come into effect in 2028.



Key Highlights:

- Who is taxed: Natural persons earning over OMR 42,000 annually from specified income sources.
- Tax rate: 5% on taxable income.
- Exemptions and deductions: The law accounts for education, healthcare, primary housing, inheritance, zakat, and donations, reflecting the Sultanate's social values.
- Impact: About 99% of the population will not be affected, as the exemption threshold is set high.
- **Objectives:**
 - Diversify income sources and support Oman Vision 2040.
 - Reduce reliance on oil, aiming for 15% contribution to GDP by 2030 and 18% by 2040.
 - Promote social justice through wealth redistribution.
 - Help fund the social protection system and the national budget.

Preparatory steps have been completed, including:

- A dedicated electronic tax system linked with relevant institutions.
- Trained human resources at the Tax Authority.
- Executive regulations to be issued within one year.
- Guidance manuals for taxpayers to be released progressively.



The PIT law reflects a balanced approach, ensuring economic contribution while considering social fairness.

[Read the official update- Click here](#)

"Reach out and let's connect!"



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