



# Law & Tax Advice in the UAE. Commercial Offer

Corporate Services. Law & Tax Advice.  
Accounting & Audit



# Our Services:

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## VERBAL AND WRITTEN TAX ADVICE

Doing business in any jurisdiction requires knowledge of possible tax implications. This helps you think ahead and choose the best way to achieve your goals. We are ready to conduct a comprehensive analysis of your situation in terms of tax implications, obligations and risks.

2

## CORPORATE TAX REGISTRATION IN THE UAE

All taxpayers in the UAE shall register for corporate tax. We will do it for you or your company and help obtain a corporate tax certificate.

3

## VAT REGISTRATION IN THE UAE

If you have transactions that are subject to Value Added Tax in the UAE and the amount of such transactions exceeds AED 375,000, you are required to register as a VAT payer. We are ready to register your company for VAT in the UAE and help you obtain a certificate of VAT registration.

4

## OBTAINING A TAX RESIDENCE CERTIFICATE FOR INDIVIDUALS AND LEGAL ENTITIES

Proof of UAE tax residence may be required both for compliance and KYC procedures with banks, brokers, other financial market organizations, counterparties, as well as for submission to foreign jurisdictions (in particular, in case of international tax treaties). We can help you obtain the certificate necessary for your purposes.

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## ANALYSIS OF ECONOMIC SUBSTANCE IN THE UAE

Economic substance requirements are an important business aspect for companies conducting “relevant activities”. Failure to comply with them can result in significant fines. We will analyze whether these requirements apply to your company and business and help you comply with all necessary reporting obligations.

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## INTERACTION WITH THE UAE TAX AUTHORITIES

The right strategy of communication with the tax authorities is the key to a successful business in the UAE. We will take care of requests from tax authorities by updating your data with the UAE Federal Tax Service, as well as preparing and submitting necessary reporting documents on time.

# Verbal and Written Tax Advice

Proper tax structuring can help businesses in the UAE receive attractive incentives. Therefore, it is advisable to first do tax structuring of the company and only after launch the incorporation process in one of the UAE jurisdictions.

Given the rapid development of the UAE tax system and its continuous improvement, it is mandatory to take into account and constantly monitor the changes of taxation system made by the Federal Tax Authority (FTA), the Ministry of Finance and the UAE Cabinet.

Being equipped with our vast experience, we can help you choose the best tax structure and tax regime for your company, based on type of activities, composition of counterparties, presence of related and affiliated companies, amount of revenue and other conditions.



WE ARE READY TO PROVIDE  
TAILOR-MADE SOLUTION FOR YOUR  
SITUATION IN TWO FORMATS:

- Verbal tax advice

from **AED 700**

The consultation is available online via any convenient communication channel. During the call, we share a presentation about our best practices, which we will provide you with at the end of the conversation.

- Written tax advice

from **AED 2000**

Provided based on a full-fledged commercial proposal containing a description of the factual circumstances, issues to be analyzed, limitations and specifics, as well as the cost and timing of the work (determined in advance and individually).

# Examples of Tax Reliefs in the UAE:

Regime / Relief	Requirements	Tax rate
Common taxation	None	9% if revenue is over <b>AED 375000</b> (USD~100000)
QFZP	<b>Benefit for qualifying Free Zone residents:</b> some conditions must be met, otherwise this benefit will not be available for 5 subsequent tax periods	0% for “qualifying” income, 9% for certain types of income
SBR	<b>Small business benefit:</b> no tax on revenue up to <b>AED 3000000</b> (~USD 810,000), if this threshold is exceeded, the company should switch to the common taxation	No tax if revenue does not exceed <b>AED 3000000</b> (~ USD 810000)
PE	<b>Participation Exemption:</b> only for UAE holding companies, meeting certain conditions	Dividends and certain other income from subsidiaries are not taxable in the UAE

## Moreover, in the UAE:

- you can create a tax group
- tax losses can be carried forward
- it is possible to benefit from the incentives for business restructuring
- there is no withholding tax on payments to foreign individuals and legal entities, regardless of the type of income, etc.



Doing business in the UAE requires knowledge of possible tax implications. With this knowledge it is possible to forecast the tax burden in advance and choose the best way of running business to achieve your goals.

# Corporate Tax Registration in the UAE

All taxpayers in the UAE shall register for corporate tax purposes.

Taxpayers in the UAE are:

- companies incorporated in the UAE (including Free Zone and offshore companies)
- foreign companies managed and controlled from the UAE
- foreign companies with a permanent establishment in the UAE
- individuals doing business in the UAE
- non-residents of the UAE receiving income from sources in the UAE
- non-residents of the UAE having nexus in the UAE (receiving income from real estate in the UAE)

**THEREFORE, IF YOU HAVE:**

- a company incorporated in the UAE
- a foreign company that is operated from the UAE, or has a permanent establishment in the UAE, or derives income from real estate in the UAE
- a business in the UAE that you run as an individual



**IT IS OBLIGATORY  
to register for corporate tax  
in the UAE.**



Registration terms depend on the date of company incorporation (**before 01.03.2024 or after**), as well as on the month of the license issuance.



Timely and proper fulfillment of taxpayer's obligations in the absence of tax registration is not possible. The penalty for late registration is **AED 10000** (USD 2725)



Our services of registration for corporate tax purposes

from **AED 1300**

# VAT Registration in the UAE

If a taxpayer in the UAE makes supplies subject to VAT, it is necessary to register for VAT purposes.

If the amount of taxable supplies exceeds **AED 375000** (for the previous 12 months) or will exceed this amount within 30 days, the taxpayer must apply for VAT registration within 30 days.

It is also possible to register for VAT purposes of your own accord if the amount of taxable supplies exceeded **AED 187500**.

Once a company is registered, a VAT number is assigned and a VAT registration certificate is issued.



## ATTENTION:

If you are not registered as a VAT payer, it is impossible to fulfill reporting obligations and pay VAT, which may entail penalties, including:

For late registration – **AED 10000**.

For late submission of VAT return –  
**from AED 1000**.

For late VAT payments – **up to 200%**  
of the unpaid tax amount.

## WE ARE READY TO PROVIDE YOU WITH THE FOLLOWING SERVICES:

VAT registration – from **AED 1600**.

Preparation and submission of VAT return –  
from **AED 2300** (monthly\* or quarterly).

VAT refund – 15% of the refund amount.

\*For companies with a turnover exceeding AED 150 mln should be filed on a monthly basis. In other cases on a quarterly basis.

# Obtaining Tax Residence Certificate

## FOR A COMPANY

- Copy of the company's trade license authorizing the company to operate in the UAE;
- Copy of the company's Articles of Association and Memorandum of Association;
- Confirmation of powers of the authorized persons (from the Memorandum of Association or Power of Attorney), as well as copies of their passports and Emirates ID cards (if available);
- Audited financial statements signed and stamped by the auditor for the year in which the applicant wishes the company to be considered a UAE tax resident, or for the previous year;
- Notarized bank statement of the company's bank account covering 6 months of the financial year for which the application is submitted;
- Notarized copy of the lease agreement for the office premises where the company operates.

## FOR AN INDIVIDUAL

### *Domicile Certificate in the UAE*

- Copy of residence visa, passport and Emirates ID;
- Notarized copy of the rental agreement or electricity bill in the name of the applicant, or a title certificate in case of ownership of the property;
- Proof of wealth;
- Notarized bank statement from the UAE bank for 6 months of the financial year for which the application is submitted;
- Proof of stay in the UAE.

### *UAE Tax Residence Certificate for Domestic Purposes*

- 1 The applicant has been in the UAE for more than 183 days:**
  - Passport (mandatory) and Emirates ID/ UAE visa, if available.
  - Proof of stay in the UAE, i.e. Entry and Exit Report from the Federal Service for Identity and Nationality or local authorized government authority.
- 2 The applicant has been in the UAE for less than 183 days but not less than 90 days: + Proof of Wealth**
- 3 The applicant has been in the UAE for less than 90 days: + Proof of financial and personal interests**

THE SMART ADVISORS TEAM CAN PROVIDE YOU WITH A UAE TAX RESIDENCE CERTIFICATE AT A COST OF:

**AED 3150**  
for individuals

**AED 4600**  
for legal entities

## ADDITIONAL FEES IF NECESSARY:

Hard copy of the Certificate issued by the Tax Authority – from AED 640;  
Notarization of the Certificate by the Tax Authority – from AED 640

TERMS: IT USUALLY TAKES

**13-18 WORKING DAYS**  
TO OBTAIN A UAE TAX RESIDENCE CERTIFICATE.

# Analysis of Economic Substance Requirement in the UAE

Some companies with certain activities in the UAE shall comply with UAE economic substance requirements

**ATTENTION:**

These are not adequate economic presence requirements for the QFZP benefit, these are other requirements existing in the UAE from 2019 and applicable to all companies conducting 'relevant activities' in the UAE.

However, there are no quantitative criteria related to these requirements, each case is subject to individual regulation by the authorities.

Penalties for nonfulfillment of obligations under the ESR requirements are **AED 400000** (~USD 110000).



We are ready to:

- Carry out analysis of your company to see if the ESR rules apply to it or not.
- Identify the risky business aspects that may affect the fulfillment of ESR requirements.
- Assist you in submitting ESR reporting documentation.



ANALYZING THE REQUIRED LEVEL OF ECONOMIC PRESENCE OF THE COMPANY (SUBSTANCE) IN THE UAE:

Written opinion:

from AED 2000



# Interaction with the UAE Tax Authorities

Interaction with tax authorities is now an inevitable part of doing business in the UAE. Timely and correct response to notifications and submission of the necessary reporting documents will help you avoid additional inquiries, fines and maintain the status of a bona fide taxpayer.

**Remember:** nonfulfillment of reporting obligations may result in serious penalties. To save your time and ensure timely submission of reporting documents, please contact us.

We will save you from penalties and other sanctions and help you maintain your reputation as a decent taxpayer.



As part of our interaction with tax authorities, we provide the following services:

- Monitoring notifications from the UAE tax authorities and preparing necessary reports — **from AED 900 monthly.**
- It is necessary due to the annual (in most cases) renewal of company licenses in the UAE. Without this, for example, it is not possible to file tax returns. The fine for not having up-to-date data is between **AED 1000 and 5000.**
- Preparation and filing of corporate tax returns — from **AED 1600 — AED 3150.**
- Preparation and submission of VAT return — from **AED 2300** (quarterly or monthly\*).
- VAT refund — **15% of refund amount.**

\*For companies with a turnover exceeding AED 150 mln should be filed on a monthly basis. In other cases - on a quarterly basis.

# How can we help?

Our tax advisors in the UAE can help you:

**1** Provide full tax support for your business in the UAE

**2** Improve your tax strategy in the UAE

**3** Determine all tax implications for foreign investors in the UAE

**4** Determine the required level of economic substance for your company in the UAE

**5** Find the most effective tax relief in the UAE

**6** Identify UAE tax obligations for you and your company

**7** Ensure compliance with legal requirements for doing business in the UAE

**8** Avoid penalties in the UAE

**9** Interact with UAE tax authorities

We will analyze any issue related to taxation in the UAE and offer tailor-made solutions to your business situations.

**360+**  
SUCCESSFUL PROJECTS

**150+**  
SATISFIED CLIENTS

**20+**  
YEARS OF EXPERIENCE



Contact our Smart Advisors Group experts to find out how we can help your business:

Corporate Services.  
Tax & Law Advice. Accounting & Audit

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