

CORPORATE TAX UPDATE

The UAE Federal Tax Authority (FTA) has issued a new Cabinet Decision on Corporate Tax, effective from 1 March 2024.

Fast Facts:

- Federal Decree-Law No. 47 of 2022 – Corporate Tax (CT) Law issued in the UAE on 9 December 2022.
- Cabinet Decision No. 75 of 2023 – Administrative penalties for violations related to the application of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses.

What's new:

- Issuance of Cabinet Decision No. 10 of 2024 – Amendment to Cabinet Decision No. 75 of 2023 to the schedule of violations and administrative penalties.
- The newly issued Cabinet Decision takes effect today, 1 March 2024.

What has changed:

CT registration deadlines for resident taxable persons incorporated and licensed in the UAE before 1 March 2024:

Month of License Issuance

The year the license was issued is irrelevant

January or February

March or April

May

June

July

August or September

October or November

December

Deadline for Corporate Tax Registration

31 May 2024

30 June 2024

31 July 2024

31 August 2024

30 September 2024

31 October 2024

30 November 2024

31 December 2024

CT registration deadlines for taxable persons incorporated and licensed after 1 March 2024:

Category of Taxable Person

Taxable person incorporated and licensed in the UAE.

Taxable person incorporated under foreign jurisdiction but effectively controlled and managed in the UAE.

Deadline for Corporate Tax Registration

3 months from date of incorporation

3 months from the end of its first financial year from effective date of UAE CT.

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What does this mean for you?

All taxable persons (including free zone persons) are required to register for UAE CT and obtain a CT registration number.

An administrative penalty of AED 10,000 for late registration of Corporate Tax will be imposed on taxable persons that do not submit their Corporate Tax registration applications within the FTA's specified timelines.

What will you need to do next?

Assess the requirements for your business under the UAE CT Law as follows:

- When does your business need to register for UAE CT?
- What is the financial year of your business?
- Is your business required to file a Corporate Tax Return?
- When is the deadline for your business to file a Corporate Tax Return?

If you have any questions, please do not hesitate to get in touch with our team.



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