

UAE'S CORPORATE TAX RETURN FILING AND TAX PAYMENT POSTPONED IN SPECIFIC CASES



MINISTERIAL DECISION 7 OF 2024

UAE's Federal Tax Authority ("FTA") recently issued Ministerial Decision 7 of 2024 ("the Decision") to **postpone the deadline to file a Corporate Tax ("CT")** return and settle the tax payable as specified.



Who does it apply to? (Covered Taxpayers)



Taxable Person incorporated, established or recognised in UAE on or **after 1 June 2023**; and



Such taxable person has its tax period ended on or **prior to 29 February 2024**.



WHAT IS THE RELIEF?

The covered taxable person, as stated previously, can file its CT Return and pay the tax **till 31 December 2024**.



WHAT DOES IT MEAN?

For instance, a limited liability company (LLC) incorporated in UAE on 1 June 2023 having first financial year (tax period) as 1 June 2023 to 31 December 2023, was required to file its CT Return and pay the tax payable within 9 months of end of relevant tax period i.e., within 30 September 2024 as per Article 48 and 53 of the UAE CT Law. **The Decision postpones this date of filing to 31 December 2024.**



DATE OF EFFECT

- ✓ The Decision comes in effect as on **25 September 2024** and will have a legal binding effect in the UAE overriding any conflicting provisions in the CT Law.
- ✓ The Decision provides a **welcome relief** towards compliance of the first CT Return in UAE.
- ✓ It applies to **all UAE residents and foreign taxable persons covered** as above, who are required to file a UAE CT Return.
- ✓ The Decision underscores FTA's intention to **reduce hardships for taxpayers** in complying with the implementation of the UAE CT Law.





CONTACT US

taxteam@youngglobal.co

+971 52 799 9134



YoungGlobal

Office No. 2, Business Park – Building 4, 7th
Floor – Dubai Hills – Dubai



Website:

www.youngglobal.co