

Federal Tax Authority Decision No. 3 of 2024 – Issued 22 February 2024 (Effective 1 March 2024)



The Ministry of Finance (MOF) has issued Decision No. 3 of 2024 on Tax Group for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses.
Summary

The Federal Tax Authority has released Federal Tax Authority Decision No. 3 of 2024 specifying the deadlines for registration for the purposes of Corporate Tax. Specified deadlines have been prescribed on the basis of the category of Taxable Person i.e juridical person, natural person, non-resident person etc., and on the basis of date of issue of license. In effect, the majority of the registrations are expected to be completed before 31 December 2024, on the above basis. This is a departure from the earlier communication in this regard, which allowed registrations to be made before filing of the first Corporate Tax return.

Prescribed deadlines

A. Resident Juridical Persons incorporated or otherwise established or recognised prior to 1 March 2024:

Month of License Issuance	Deadline for submitting Tax Registration application
January	31 May 2024
February	31 May 2024
March	30 June 2024
April	30 June 2024
May	31 July 2024
June	31 August 2024
July	30 September 2024
August	31 October 2024
September	31 October 2024
October	30 November 2024
November	30 November 2024
December	31 December 2024



B. Resident Juridical Persons incorporated or otherwise established or recognised on or after 1 March 2024:



Category of juridical persons	Deadline for submitting a Tax Registration application
• A person that is incorporated or otherwise established or recognised under the applicable legislation in the State, including a Free Zone Person	• 3 months from the date of incorporation, establishment or recognition
• A person that is incorporated or otherwise established or recognised under the applicable legislation of a foreign jurisdiction that is effectively managed and controlled in the State	• 3 months from the end of the Financial Year of the person

C. Non-Resident Juridical Persons prior to 1 March 2024:

Category of juridical persons	Deadline for submitting a Tax Registration application
• A person that has a Permanent Establishment in the State	• 9 months from the date of existence of the Permanent Establishment
• A person that has a nexus in the State	• 3 months from 1 March 2024 i.e 31 May 2024

D. Non-Resident Juridical Persons on or after 1 March 2024:

Category of juridical persons	Deadline for submitting a Tax Registration application
• A person that has a Permanent Establishment in the State	• 6 months from the date of existence of the Permanent Establishment
• A person that has a nexus in the State	• 3 months from the date of establishment of the nexus



E. Natural Persons

Category of juridical persons	Deadline for submitting a Tax Registration application
• A Resident Person who is conducting a Business or Business Activity during the 2024 Gregorian calendar year or subsequent years whose total Turnover derived in a Gregorian calendar year exceeds the threshold specified in the relevant tax legislation	• 31 March of the subsequent Gregorian calendar year
• A Non-Resident Person who is conducting a Business or Business Activity during the 2024 Gregorian calendar year or subsequent years whose total Turnover derived in a Gregorian calendar year exceeds the threshold specified in the relevant tax legislation	• 3 months from the date of meeting the requirements of being subject to tax

Penalty

Non-adherence to these prescribed deadlines would attract a penalty of AED 10,000 under Cabinet Decision no. 75 of 2023.

For more information:



info@krestonmenon.com



+971 4 276 2233



www.krestonmenon.com



Disclaimer

The above seeks to summarise the update from the relevant authority. The same may not be construed to be a written opinion on matters that may require specific examination of the Decree on a case-to-case basis.