



BAM TAX ADVISORS L.L.C

**BAZAR ACCOUNTING &
MANAGEMENT ADVISORS
L.L.C**

**INSIGHTS INTO THE
UAE CORPORATE TAX
RETURN FILING,
DEADLINES AND
DOCUMENTATION**

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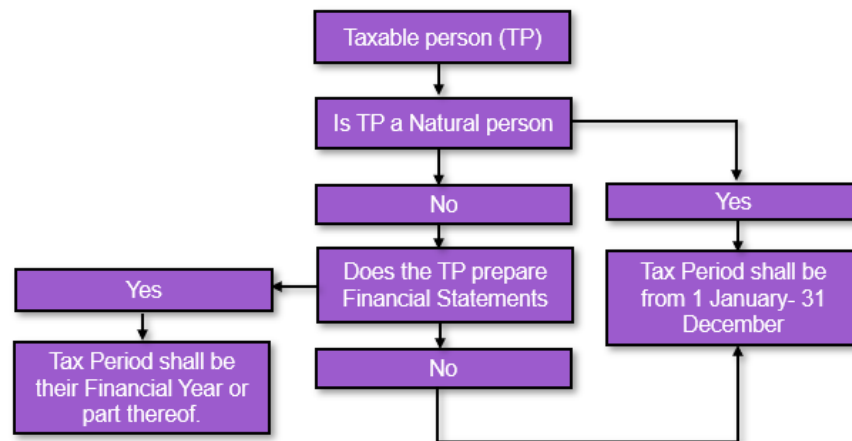


The introduction of Corporate Tax (CT) in the UAE marked a pivotal advancement in the nation's tax framework. With the assumption that registration processes are complete, the focus now shifts to the critical aspects of CT return filing, including adherence to submission deadlines, compliance with regulatory criteria, and fulfillment of documentation requirements. Accurate and timely filing remains essential to ensuring compliance and mitigating potential liabilities.

WHO SHOULD FILE THE CT RETURN?

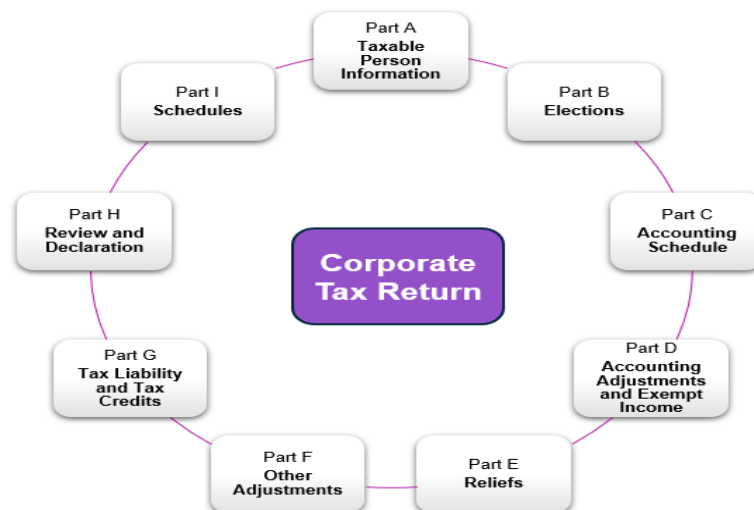
A Taxable Person (TP) is required to submit a Tax Return and pay any Corporate Tax due (if any) to the FTA **within 9 months** of the end of its **Tax period**.

WHAT IS YOUR TAX PERIOD?



AN OVERVIEW OF THE CT RETURN

A Tax Return enables a taxpayer to report their taxable income, incorporating any applicable adjustments, exemptions, and reliefs claimed. The key sections of the Tax Return include the following:



TRANSFER PRICING REQUIREMENTS

Transfer pricing refers to the pricing of transactions or arrangements between Related Parties or Connected Persons that are influenced by the relationship between the transacting parties. Hence, when transacting with Related Parties or Connected Persons, Taxable Persons should ensure the transfer price between the parties is at Arm's length or market value and maintain supporting Transfer Pricing documentation as required by the FTA. Benchmarking analysis plays a critical role in this process by comparing a company's intercompany prices with those of similar transactions between unrelated parties under comparable conditions. According to recent updates from the FTA, there is a TP Disclosure Form that needs to be filled out for related parties and connected person transactions, subject to the conditions listed below.

RELATED PARTY TRANSACTION SCHEDULE	CONNECTED PERSONS SCHEDULE
<ul style="list-style-type: none"> ❖ This Schedule should be completed by all Taxable Persons who have transactions with Related Parties in the Tax Period where the aggregate value of all transactions with all Related Parties recorded in the Financial Statements or at Market Value exceeds AED 40 million. If the above threshold is exceeded, additional disclosure is required for transactions with Related Parties, where the aggregate value per category (Goods, Services, Intellectual Property, Interest, Assets, Liabilities, and Others) exceeds AED 4 million during the Tax Period. ❖ Dividends declared between Related parties do not need to be disclosed in this schedule and should not be taken into account in determining the AED 40 million or AED 4 million thresholds. ❖ The schedule should detail gross income (revenue) and expenditure separately, with figures reported in aggregate for each Related Party. These must be categorized based on the type of income and/or expenditure to ensure accurate and transparent reporting. 	<ul style="list-style-type: none"> ❖ The purpose of this schedule is to disclose some of your high-value transactions with a Connected Person as defined in Article 36 of the Corporate Tax Law. ❖ The Schedule is to be completed only if the aggregate value of transactions with Connected Persons (including their Related Parties) exceeds AED 500,000. ❖ Not all Connected Person transactions are required to be disclosed here. This schedule should be completed for each Connected Person where the aggregate payment or benefit exceeds AED 500,000 per Connected Person (together with its Related Parties).

DOCUMENTS REQUIRED TO BE SUBMITTED ALONG WITH CT RETURN

During the process of completing the Tax Return, the Taxable Person may be required to upload certain documents. The specific requirements will depend on factors such as the category of the Taxable Person and the reliefs claimed. While the list provided below includes key documents, it is not exhaustive, and other documents may also be required that are not mentioned here.

- ✓ **Financial Statements** - This is mandatory to be attached by all Taxable Persons unless you have made an election for Small Business Relief.
- ✓ **Documentation to support the market value of the Financial Assets/Liabilities at the start of the first Tax Period** - This is optional and will appear to you if you sold Qualifying Financial Assets/Liabilities subject to an adjustment under the transitional rules.

- ✓ **Tax residency certificate in the foreign jurisdiction-** This is optional and will appear to you if you indicated you are tax resident in a foreign jurisdiction under an applicable Double Taxation Agreement.
- ✓ **Evidence of tax paid in the foreign jurisdiction** - This is optional and will appear to you if you have claimed a Foreign Tax Credit in the Tax Return.
- ✓ Local File.
- ✓ Master File.
- ✓ Confirmation of ownership and the right to exploit the Qualifying Intellectual Property – Patent.
- ✓ Confirmation of ownership and the right to exploit the Qualifying Intellectual Property - Another right functionality equivalent to a patent.
- ✓ Confirmation of ownership and the right to exploit the Qualifying Intellectual Property - Another right functionality equivalent to a patent.
- ✓ Record of Qualifying Expenditures and Overall Expenditures incurred.
- ✓ Record of Overall Income derived from the Qualifying Intellectual Property.
- ✓ Documentation to support the market value of the Qualifying Immovable Property at the start of the first tax period.

For further details, please reach out to the **BAM Tax Advisors** team.



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HOW BAM TAX ADVISORS CAN ASSIST YOUR COMPANY

- We can assist in identifying the documents required based on your tax profile and ensure they are correctly prepared and ready to submit to FTA. This includes gathering both mandatory and optional documents that may be relevant.
- Our team can provide expert advice on available reliefs and exemptions, helping you to determine which you may qualify for, and ensure all necessary documentation to support claims is included in the return.
- We can help in reviewing the financial statements if needed, ensuring they meet the required standards and are accurately reflected in the tax return.
- We offer support in filing the tax return in the FTA portal and uploading the necessary documents, ensuring that all steps are completed properly and efficiently.

CONTACT US

To discuss how we can support your business, please reach out to us

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