



# Tax Returns

## Corporate Tax Guide | CTGTXR1

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## Contents

<b>1. Glossary .....</b>	<b>5</b>
<b>2. Introduction .....</b>	<b>16</b>
2.1. Overview .....	16
2.2. Purpose of this guide .....	16
2.3. Who should read this guide? .....	16
2.4. How to use this guide .....	17
2.5. Legislative references .....	17
2.6. Status of this guide.....	19
<b>3. Overview of a Tax Return .....</b>	<b>20</b>
3.1. Taxable Person details.....	21
3.2. Elections .....	22
3.3. Tax computation .....	24
3.4. Tax Period .....	25
3.5. Tax Return schedules .....	25
3.6. Required documents .....	28
<b>4. Taxable Person details .....</b>	<b>29</b>
4.1. Fields relevant to natural persons .....	29
4.2. Fields relevant to juridical persons .....	32
4.3. Fields relating to Free Zones.....	39
4.4. Fields relevant to Unincorporated Partnerships treated as separate Taxable Persons .....	40
4.5. Fields relevant to Tax Groups .....	42
<b>5. Elections .....</b>	<b>46</b>
5.1. Realisation basis.....	46
5.2. Transitional rules.....	47
5.3. Small Business Relief .....	49
5.4. Transfers within a Qualifying Group .....	49
5.5. Business Restructuring Relief .....	50
5.6. Foreign Permanent Establishment .....	51
<b>6. Accounting Schedule.....</b>	<b>53</b>
6.1. Overview .....	53



6.2. Audit .....	54
<b>7. Accounting adjustments and Exempt Income .....</b>	<b>56</b>
7.1. Accounting Income.....	56
7.2. Fields pertaining to the Equity Method of Accounting .....	57
7.3. Fields pertaining to partners in an Unincorporated Partnership which is treated as a separate Taxable Person .....	58
7.4. Fields pertaining to the 'Income/Losses which will not subsequently be reported in the income statement' Schedule .....	59
7.5. Realisation basis adjustments.....	60
7.6. Transitional rules adjustments.....	62
7.7. Exempt Income .....	64
7.8. Foreign Permanent Establishment exemption .....	66
7.9. International aircraft/shipping income .....	66
<b>8. Relief.....</b>	<b>68</b>
8.1. Transfers within a Qualifying Group .....	68
8.2. Business Restructuring Relief .....	72
<b>9. Other adjustments.....</b>	<b>77</b>
9.1. Adjustments for non-deductible expenditure .....	77
9.2. Adjustments for Interest expenditure .....	79
9.3. Transactions with Related Parties and Connected Persons .....	82
9.4. Adjustments for income and expenditure derived from a Qualifying Investment Fund .....	85
9.5. Other adjustments.....	86
<b>10. Tax Liability and Tax Credits .....</b>	<b>89</b>
10.1. Taxable Income .....	89
10.2. Tax Losses .....	89
10.3. Tax Group Tax Losses.....	90
10.4. Tax Calculation and Tax Credits .....	92
10.5. Estimated / provisional figures included in the Tax Return .....	93
<b>11. Review and declaration .....</b>	<b>94</b>
<b>12. Free Zone Schedules .....</b>	<b>96</b>
12.1. Free Zone Schedule.....	96
12.2. Free Zone Income from Intellectual Property Schedule.....	106
<b>13. UAE Dividends Schedule .....</b>	<b>108</b>



<b>14.Foreign Permanent Establishment Schedule.....</b>	<b>110</b>
14.1. Eligible Foreign Permanent Establishments – prior Tax Periods .....	110
14.2. Eligible Foreign Permanent Establishments – current Tax Period .....	112
14.3. Ineligible Foreign Permanent Establishments.....	112
<b>15.Tax Credit Schedule.....</b>	<b>113</b>
15.1. Foreign Tax Credits.....	113
15.2. Foreign Tax Credit attribution – Tax Groups.....	114
<b>16.Related Party transactions and Connected Person Schedules .....</b>	<b>116</b>
16.1. Related Party transaction Schedule .....	116
16.2. Connected Persons Schedule .....	118
<b>17.Tax Losses Schedules.....</b>	<b>120</b>
17.1. Tax Losses Schedule .....	120
17.2. Tax Losses transferred from other Taxable Persons .....	123
17.3. Tax Losses transferred to other Taxable Persons .....	123
17.4. Tax Group losses Schedule .....	124
17.5. New Subsidiaries .....	125
17.6. Pre-Grouping Tax Loss Schedule .....	126
17.7. Tax Group Tax Losses.....	128
17.8. Tax Losses claimed from other Taxable Persons.....	130
17.9. Tax Losses transferred to other Taxable Persons .....	131
<b>18.Participation Exemption Schedule .....</b>	<b>133</b>
<b>19.Interest capping Schedules .....</b>	<b>138</b>
19.1. General Interest Deduction Limitation .....	138
19.2. General.....	138
19.3. Single Entity.....	141
19.4. Tax Group.....	142
19.5. Pre-Grouping non-deductible Net Interest Expenditure .....	143
<b>20.Tax Relief Schedules .....</b>	<b>147</b>
20.1. Transfers within Qualifying Group .....	147
20.2. Transfers that occurred in the current Tax Period .....	147
20.3. Transfers that occurred in a previous Tax Period that must be adjusted in the current Tax Period .....	149



20.4. Business Restructuring Relief .....	150
20.5. Transactions that occurred in the current Tax Period .....	151
20.6. Transactions that occurred in a previous Tax Period that must be adjusted in the current Tax Period .....	152
<b>21. Transitional Rules Schedules .....</b>	<b>154</b>
21.1. Schedule of Qualifying Immovable Properties subject to the election .....	154
21.2. Schedule of Qualifying Immovable Properties that have been disposed of during the Tax Period .....	156
21.3. Qualifying Intangible Assets .....	160
21.4. Qualifying Financial Assets .....	163
21.5. Qualifying Financial Liabilities .....	166
<b>22. Other schedules .....</b>	<b>169</b>
22.1. Income/Losses which will not subsequently be reported in the income statement Schedule .....	169
22.2. Unrealised gains/losses Schedule .....	170
22.3. Deferred gains or losses Schedule .....	171
22.4. Additional attachments Schedule .....	172
<b>23. Exempt Persons .....</b>	<b>173</b>
23.1. Government Entity, Government Controlled Entity, Extractive Business and Non-Extractive Natural Resource Business .....	173
23.2. Other Exempt Persons .....	174
<b>24. Updates and amendments .....</b>	<b>175</b>



## 1. Glossary

**Accounting Income:** The accounting net profit or loss for the relevant Tax Period as per the Financial Statements prepared in accordance with the provisions of Article 20 of the Corporate Tax Law.

**Accounting Standards:** The accounting standards specified in Ministerial Decision No. 114 of 2023.

**Accrual Basis of Accounting:** An accounting method under which the Taxable Person recognises income when earned and expenditure when incurred.

**AED:** The United Arab Emirates dirham.

**Authority:** Federal Tax Authority.

**Bank:** A Person licensed in the UAE as a bank or finance institution or an equivalent licensed activity that allows the taking of deposits and the granting of credits as defined in the applicable legislation of the UAE.

**Beneficial Recipient:** For the purposes of Article 3 of Cabinet Decision No. 100 of 2023 in relation to determining if income is derived from transactions with a Free Zone Person, it shall mean a Person who has the right to use and enjoy the service or a Good and does not have a contractual or legal obligation to supply such service or Good to another person.

**Business:** Any activity conducted regularly, on an ongoing and independent basis by any Person and in any location, such as industrial, commercial, agricultural, vocational, professional, service or excavation activities or any other activity related to the use of tangible or intangible properties.

**Business Activity:** Any transaction or activity, or series of transactions or series of activities conducted by a Person in the course of its Business.

**Business Day:** Any day of the week, except weekends and official holidays of the Federal Government.

**Business Restructuring Relief:** A relief from Corporate Tax for Business restructuring transactions, available under Article 27 of the Corporate Tax Law and as specified under Ministerial Decision No. 133 of 2023.

**Cash Basis of Accounting:** An accounting method under which the Taxable Person recognises income and expenditure when cash payments are received and paid.



**Commercial Property:** Immovable Property or part thereof used exclusively for a Business or Business Activity and not used as a place of residence or accommodation including hotels, motels, bed and breakfast establishments, serviced apartments and the like.

**Connected Person:** Any Person affiliated with a Taxable Person as determined in Article 36(2) of the Corporate Tax Law.

**Constituent Company:** Means under Article 1 of the Cabinet Resolution No. 44 of 2020 any of the following:

1. Any separate business unit of an MNE Group that is included in the Consolidated Financial Statements of the MNE Group for the purposes of preparing the financial reports, or would be so included therein if equity interests therein were traded on a public securities exchange.
2. Any business unit that is excluded from the MNE Group's Consolidated Financial Statements solely on size or materiality grounds.
3. Any permanent establishment pertaining to any separate business unit of the MNE Group referred to in Clauses (1) or (2) above, provided that the said business unit prepares separate Financial Statements for such permanent establishment for the purposes of financial reporting preparation, regulatory, tax reporting, or internal management control purposes.

**Corporate Tax:** The tax imposed by the Corporate Tax Law on juridical persons and Business income.

**Corporate Tax Law:** Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, and its amendments.

**Corporate Tax Payable:** Corporate Tax that has or will become due for payment to the FTA in respect of one or more Tax Periods.

**Designated Zone:** A designated zone according to what is stated in Federal Decree-Law No. 8 of 2017 on Value Added Tax, and which has been included as a Free Zone in accordance with the Corporate Tax Law.

**Dividend:** Any payments or distributions that are declared or paid on or in respect of shares or other rights participating in the profits of the issuer of such shares or rights which do not constitute a return on capital or a return on debt claims, whether such payments or distributions are in cash, securities, or other properties, and whether payable out of profits or retained earnings or from any account or legal reserve or from capital reserve or revenue. This will include any payment or benefit which in substance or effect constitutes a distribution of profits made in connection with the acquisition or redemption or cancellation of shares or termination of other ownership interests or



rights or any transaction or arrangement with a Related Party or Connected Person which does not comply with Article 34 of the Corporate Tax Law.

**Domestic Permanent Establishment:** A place of Business or other form of presence of a Qualifying Free Zone Person outside the Free Zone in the UAE.

**Double Taxation Agreement:** An international agreement signed by two or more countries for the avoidance of double taxation and the prevention of fiscal evasion on income and capital.

**Equity Method of Accounting:** The equity method of accounting as defined in the International Financial Reporting Standards (“IFRS”), or an equivalent method of accounting under the Accounting Standards applied by the Taxable Person.

**Excluded Activities:** Any activities determined in accordance with Article 2 of Ministerial Decision No. 265 of 2023 and conducted by a Qualifying Free Zone Person from which non-Qualifying Income is derived.

**Exempt Income:** Any income exempt from Corporate Tax under the Corporate Tax Law.

**Exempt Person:** A Person exempt from Corporate Tax under Article 4 of the Corporate Tax Law.

**Extractive Business:** The Business or Business Activity of exploring, extracting, removing, or otherwise producing and exploiting the Natural Resources of the UAE, or any interest therein as determined by the Minister.

**Federal Government:** The government of the UAE.

**Financial Asset:** Financial asset as defined in the Accounting Standards applied by the Taxable Person.

**Financial Liability:** Financial liability as defined in the Accounting Standards applied by the Taxable Person.

**Financial Statements:** A complete set of statements as specified under the Accounting Standards applied by the Taxable Person, which includes, but is not limited to, statement of income, statement of other comprehensive income, balance sheet, statement of changes in equity and cash flow statement.

**Financial Year:** The Gregorian calendar year, or the twelve-month period for which the Taxable Person prepares Financial Statements.





**Foreign Permanent Establishment:** A place of Business or other form of presence outside the UAE of a Resident Person that is determined in accordance with the criteria prescribed in Article 14 of the Corporate Tax Law.

**Foreign Tax Credit:** Tax paid under the laws of a foreign jurisdiction on income or profits that may be deducted from the Corporate Tax due, in accordance with the conditions of Article 47(2) of the Corporate Tax Law.

**Free Zone:** A designated and defined geographic area within the UAE that is specified in a decision issued by the Cabinet at the suggestion of the Minister.

**Free Zone Person:** A juridical person incorporated, established or otherwise registered in a Free Zone, including a branch of a Non-Resident Person registered in a Free Zone.

**FTA:** Federal Tax Authority, being the Authority responsible for the administration, collection and enforcement of federal taxes in the UAE.

**General Interest Deduction Limitation Rule:** The limitation provided under Article 30 of the Corporate Tax Law.

**Government Controlled Entity:** Any juridical person, directly or indirectly wholly owned and controlled by a Government Entity, as specified in a decision issued by the Cabinet at the suggestion of the Minister.

**Government Entity:** The Federal Government, Local Governments, ministries, government departments, government agencies, authorities and public institutions of the Federal Government or Local Governments.

**IFRS:** International Financial Reporting Standards.

**IFRS for SMEs:** International Financial Reporting Standard for small and medium-sized entities.

**Immovable Property:** Means any of the following:

- a. Any area of land over which rights or interests or services can be created.
- b. Any building, structure or engineering work attached to the land permanently or attached to the seabed.
- c. Any fixture or equipment which makes up a permanent part of the land or is permanently attached to the building, structure or engineering work or attached to the seabed.



**Insurance Provider:** A Person licensed in the UAE as an insurance provider that accepts risks by entering into or carrying out contracts of insurance, in both the life and non-life sectors, including contracts of reinsurance and captive insurance, as defined in the applicable legislation of the UAE.

**Intangible Asset:** An intangible asset as defined in the Accounting Standards applied by the Taxable Person.

**Interest:** Any amount accrued or paid for the use of money or credit, including discounts, premiums and profit paid in respect of an Islamic Financial Instrument and other payments economically equivalent to interest, and any other amounts incurred in connection with the raising of finance, excluding payments of the principal amount.

**Legal Representative:** The guardian or custodian of an incapacitated person or minor, or the bankruptcy trustee appointed by the court for a company that is in bankruptcy, or any other Person legally appointed to represent another Person.

**Licence:** A document issued by a Licensing Authority under which a Business or Business Activity is conducted in the UAE.

**Licensing Authority:** The competent authority concerned with licensing or authorising a Business or Business Activity in the UAE.

**Local Government:** Any of the governments of the Member Emirates of the Federation.

**Market Value:** The price which could be agreed in an arm's-length free market transaction between Persons who are not Related Parties or Connected Persons in similar circumstances.

**Membership or Partnership Capital:** The capital paid to a juridical person where the paid capital is divided into membership or partnership interests by a Person in order to be a member or partner and have the rights of membership or partnership in that juridical person.

**Minister:** Minister of Finance.

**Ministry:** Ministry of Finance.

**Multinational Enterprises (MNE) Group:** Any Group that meets the criteria prescribed in Article 1 of Cabinet Resolution No. 44 of 2020:

1. Two or more companies the tax residence of which is located in different jurisdictions, or including one single company having its tax residence in one



- country and being subject to tax with respect to the activity it carries out through a permanent entity located in another country; and
2. Which has a total consolidated Group revenue that is equal to or more than AED 3,150,000,000 (UAE Dirham Three Billion One Hundred and Fifty Million) during the Fiscal Year immediately preceding the reporting Fiscal Year as indicated in its Consolidated Financial Statements for that preceding Fiscal Year.

**Net Interest Expenditure:** The Interest expenditure amount that is in excess of the Interest income amount as determined in accordance with the provisions of the Corporate Tax Law.

**Non-Extractive Natural Resource Business:** The Business or Business Activity of separating, treating, refining, processing, storing, transporting, marketing or distributing the Natural Resources of the UAE.

**Non-Free Zone Person:** Any Person who is not a Free Zone Person.

**Non-Resident Person:** The Taxable Person specified in Article 11(4) of the Corporate Tax Law.

**Overall Expenditures:** For the purposes of Article 4(1) of Ministerial Decision No. 265 of 2023, means total expenditures incurred to fund research and development activities, conducted either by the Qualifying Free Zone Person or outsourced to any Person, directly connected with the creation, invention or significant development of the Qualifying Intellectual Property, including acquisition costs of the Qualifying Intellectual Property.

**Overall Income:** For the purposes of Article 4(1) of Ministerial Decision No. 265 of 2023, means royalties or any other income derived from Qualifying Intellectual Property as determined according to the provisions of the Corporate Tax Law, including embedded intellectual property income derived from the sale of products and the use of processes directly related to the Qualifying Intellectual Property as determined in accordance with the arm's length principle under Article 34 of the Corporate Tax Law.

**Parent Company:** A Resident Person that can make an application to the FTA to form a Tax Group with one or more Subsidiaries in accordance with Article 40(1) of the Corporate Tax Law.

**Participating Interest:** An ownership interest in the shares or capital of a juridical person that meets the conditions referred to in Article 23 of the Corporate Tax Law.

**Participation:** The juridical person in which the Participating Interest is held.



**Participation Exemption:** An exemption from Corporate Tax for income from a Participating Interest, available under Article 23 of the Corporate Tax Law and as specified under Ministerial Decision No. 116 of 2023.

**Permanent Establishment:** A place of Business or other form of presence in the UAE of a Non-Resident Person in accordance with Article 14 of the Corporate Tax Law.

**Person:** Any natural person or juridical person.

**Personal Investment:** Investment activity that a natural person conducts for their personal account that is neither conducted through a Licence or requiring a Licence from a Licensing Authority in the UAE, nor considered as a commercial business in accordance with the Federal Decree-Law No. 50 of 2022 on Issuing the Commercial Transactions Law.

**Qualifying Activities:** Any activities determined in accordance with Article 2 of Ministerial Decision No. 265 of 2023 and conducted by a Qualifying Free Zone Person from which Qualifying Income is derived.

**Qualifying Expenditures:** For the purposes of Article 4(1) of Ministerial Decision No. 265 of 2023, means expenditures incurred to fund research and development activities, conducted either by the Qualifying Free Zone Person or outsourced to any Person in the UAE or any Person outside the UAE that is not a Related Party, directly connected with the creation, invention or significant development of the Qualifying Intellectual Property.

**Qualifying Financial Asset:** Financial Asset that meets the conditions under Article 4(1) of Ministerial Decision No. 120 of 2023.

**Qualifying Financial Liability:** Financial Liability that meets the conditions under Article 4(1) of Ministerial Decision No. 120 of 2023.

**Qualifying Free Zone Person:** A Free Zone Person that meets the conditions of Article 18 of the Corporate Tax Law and is subject to Corporate Tax under Article 3(2) of the Corporate Tax Law.

**Qualifying Group:** Two or more Taxable Persons that meet the conditions of Article 26(2) of the Corporate Tax Law.

**Qualifying Immovable Property:** Immovable Property that meets the conditions under Article 2(1) of Ministerial Decision No. 120 of 2023.



**Qualifying Income:** Any income derived by a Qualifying Free Zone Person that is subject to Corporate Tax at the rate specified in Article 3(2)(a) of the Corporate Tax Law.

**Qualifying Infrastructure Project:** A project that meets the conditions of Article 14 of Ministerial Decision No. 126 of 2023.

**Qualifying Intangible Asset:** Intangible Asset that meets the conditions under Article 3(1) of Ministerial Decision No. 120 of 2023.

**Qualifying Intellectual Property:** Patents, Copyrighted Software and any right functionally equivalent to a Patent that is both legally protected and subject to a similar approval and registration process to a Patent, such as utility models, intellectual property assets that grant protection to plants and genetic material, orphan drug designations, and extensions of Patent protection, but not including any marketing related intellectual property assets, such as trademarks.

**Qualifying Investment Fund:** Any entity whose principal activity is the issuing of investment interests to raise funds or pool investor funds or establish a joint investment fund with the aim of enabling the holder of such an investment interest to benefit from the profits or gains from the entity's acquisition, holding, management or disposal of investments, in accordance with the applicable legislation and when it meets the conditions set out in Article 10 of the Corporate Tax Law.

**Qualifying Public Benefit Entity:** Any entity that meets the conditions set out in Article 9 of the Corporate Tax Law and that is listed in a decision issued by the Cabinet at the suggestion of the Minister.

**Real Estate Investment:** Any investment activity conducted by a natural person related to, directly or indirectly, the sale, leasing, sub-leasing, and renting of land or real estate property in the UAE that is not conducted, or does not require to be conducted through a Licence from a Licensing Authority.

**Recognised Stock Exchange:** Any stock exchange established in the UAE that is licensed and regulated by the relevant competent authority, or any stock exchange established outside the UAE of equal standing.

**Related Party:** Any Person associated with a Taxable Person as determined in Article 35(1) of the Corporate Tax Law.

**Resident Person:** The Taxable Person specified in Article 11(3) of the Corporate Tax Law.

**Revenue:** The gross amount of income derived during a Tax Period.



**Small Business Relief:** A Corporate Tax relief that allows eligible Taxable Persons to be treated as having no Taxable Income for the relevant Tax Period in accordance with Article 21 of the Corporate Tax Law and Ministerial Decision No. 73 of 2023.

**Specific Interest Deduction Limitation Rule:** The limitation provided under Article 31 of the Corporate Tax Law.

**State:** United Arab Emirates.

**State Sourced Income:** Income accruing in, or derived from, the UAE as specified in Article 13 of the Corporate Tax Law.

**Subsidiary:** A Resident Person in which the share capital or Membership or Partnership Capital, as applicable, is held by a Parent Company, in accordance with Article 40(1) of the Corporate Tax Law.

**Tax Agent:** Any Person registered with the FTA who is appointed on behalf of another Person to represent him before the FTA and assist him in the fulfilment of his tax obligations and the exercise of his associated tax rights.

**Tax Group:** Two or more Taxable Persons treated as a single Taxable Person according to the conditions of Article 40 of the Corporate Tax Law.

**Tax Loss:** Any negative Taxable Income as calculated under the Corporate Tax Law for a given Tax Period.

**Tax Period:** The period for which a Tax Return is required to be filed.

**Tax Registration:** A procedure under which a Person registers for Corporate Tax purposes with the FTA.

**Tax Registration Number (TRN):** A unique number issued by the FTA to each Person who is registered for Corporate Tax purposes in the UAE.

**Tax Resident:** The Person who is resident of the UAE as specified in Articles 3 and 4 of Cabinet Decision No. 85 of 2022.

**Tax Return:** Information filed with the FTA for Corporate Tax purposes in the form and manner as prescribed by the FTA, including any schedule or attachment thereto, and any amendment thereof.



**Taxable Income:** The income that is subject to Corporate Tax under the Corporate Tax Law.

**Taxable Person:** A Person subject to Corporate Tax in the UAE under the Corporate Tax Law.

**Transferee:** A Taxable Person to which one or more assets or liabilities of the Transferor is transferred under Article 26 of the Corporate Tax Law or a Taxable Person to which the entire Business or an independent part of the Business of the Transferor is transferred under Article 27 of the Corporate Tax Law, as the context requires.

**Transferor:** A Taxable Person that transfers one or more assets or liabilities to another Taxable Person under Article 26 of the Corporate Tax Law or a Taxable Person that transfers its entire Business or an independent part of its Business to another Taxable Person under Article 27 of the Corporate Tax Law, as the context requires.

**Turnover:** The gross amount of income derived during a Gregorian calendar year.

**UAE:** United Arab Emirates.

**Unincorporated Partnership:** A relationship established by contract between two Persons or more, such as a partnership or trust or any other similar association of Persons, in accordance with the applicable legislation of the UAE.

**Uplift Expenditures:** For the purposes of Article 4(1) of Ministerial Decision No. 265 of 2023, means the Qualifying Expenditures increased by 30%, but only to the extent that Qualifying Expenditures, after being up-lifted is less than or equal to Overall Expenditures.

**Voluntary Disclosure:** A form prepared by the FTA pursuant to which a Taxpayer notifies the FTA of an error or omission in the Tax Return, Tax Assessment or Tax refund application, in accordance with the provisions of Article 10 of Federal Decree-Law No. 28 of 2022.

**Wage:** The wage that is given to the employee in consideration of their services under the employment contract, whether in cash or in kind, payable annually, monthly, weekly, daily, hourly, or by piece-meal, and includes all allowances, and bonuses in addition to any other benefits provided for, in the employment contract or in accordance with the applicable legislation in the UAE.



**Withholding Tax:** Corporate Tax to be withheld from State Sourced Income in accordance with Article 45 of the Corporate Tax Law.

**Withholding Tax Credit:** The Corporate Tax amount that can be deducted from the Corporate Tax due in accordance with the conditions of Article 46(2) of the Corporate Tax Law.





## 2. Introduction

### 2.1. Overview

Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses and its amendments (“Corporate Tax Law”) was issued on 3 October 2022 and was published in Issue #737 of the Official Gazette of the United Arab Emirates (“UAE”) on 10 October 2022.

The Corporate Tax Law provides the legislative basis for imposing a federal tax on corporations and Business profits (“Corporate Tax”) in the UAE.

The provisions of the Corporate Tax Law apply to Tax Periods commencing on or after 1 June 2023.

### 2.2. Purpose of this guide

This guide is designed to provide general guidance on filing and completing a Corporate Tax Return. It provides readers with an overview of the information to provide in response to each field in the Tax Return in the order in which they normally appear. However, this guide is not intended to provide detailed technical guidance on the implementation of the Corporate Tax Law. For more detailed guidance, reference should be had to the relevant topic specific guide.

### 2.3. Who should read this guide?

This guide should be read by any Person that is required to file a Tax Return for a relevant Tax Period. When completing a Tax Return, you will see fields which may be relevant to you. You will not see every field which appears in this guide. If you believe a field is relevant to you but it does not appear in your Tax Return, please check your EmaraTax account to ensure that your information recorded in the account is accurate. For example, your “Taxable Person” type is correct.

This guide is intended to be read in conjunction with the Corporate Tax Law, the implementing decisions and other relevant guidance published by the FTA. If you would like more detail on a particular matter, references are given to other sources, for instance topic specific guides. For technical support, see the EmaraTax Tax Return User Manual.



## 2.4. How to use this guide

This guide is intended to be instructional. Therefore, when the word ‘you’ is used in this guide while providing instructions, it is intended to refer to the Person in respect of which the Tax Return is being filed.

## 2.5. Legislative references

In this guide, the following legislation will be referred to as follows:

- Federal Decree-Law No. 28 of 2022 on Tax Procedures and its amendments, is referred to as “Federal Decree-Law No. 28 of 2022”,
- Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses and its amendments, is referred to as “Corporate Tax Law”,
- Cabinet Resolution No. 44 of 2020 on Organising Reports Submitted by Multinational Companies is referred to as “Cabinet Resolution No. 44 of 2020”,
- Cabinet Decision No. 85 of 2022 on Determination of Tax Residency, is referred to as “Cabinet Decision No. 85 of 2022”,
- Cabinet Decision No. 37 of 2023 Regarding the Qualifying Public Benefit Entities for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, and its amendments, is referred to as “Cabinet Decision No. 37 of 2023”,
- Cabinet Decision No. 74 of 2023 on the Executive Regulation of Federal Decree-Law No. 28 of 2022 on Tax Procedures, is referred to as “Cabinet Decision No. 74 of 2023”,
- Cabinet Decision No. 100 of 2023 on Determining Qualifying Income for the Qualifying Free Zone Person for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Cabinet Decision No. 100 of 2023”,
- Ministerial Decision No. 73 of 2023 on Small Business Relief for the Purposes of the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 73 of 2023”,
- Ministerial Decision No. 97 of 2023 on Requirements for Maintaining Transfer Pricing Documentation for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 97 of 2023”,
- Ministerial Decision No. 105 of 2023 on the Determination of the Conditions under which a Person may Continue to be Deemed as an Exempt Person, or Cease to be Deemed as an Exempt Person from a Different Date for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 105 of 2023”,
- Ministerial Decision No. 114 of 2023 on the Accounting Standards and Methods for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of



- Corporations and Businesses, is referred to as “Ministerial Decision No. 114 of 2023”,
- Ministerial Decision No. 115 of 2023 on Private Pension Funds and Private Social Security Funds for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 115 of 2023”,
  - Ministerial Decision No. 116 of 2023 on the Participation Exemption for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 116 of 2023”,
  - Ministerial Decision No. 120 of 2023 on the Adjustments Under the Transitional Rules for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 120 of 2023”,
  - Ministerial Decision No. 125 of 2023 on Tax Group for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 125 of 2023”,
  - Ministerial Decision No. 126 of 2023 on the General Interest Deduction Limitation Rule for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 126 of 2023”,
  - Ministerial Decision No. 132 of 2023 on Transfers Within a Qualifying Group for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 132 of 2023”,
  - Ministerial Decision No. 133 of 2023 on Business Restructuring Relief for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 133 of 2023”,
  - Ministerial Decision No. 134 of 2023 on the General Rules for Determining Taxable Income for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 134 of 2023”,
  - Ministerial Decision No. 265 of 2023 Regarding Qualifying Activities and Excluded Activities for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “Ministerial Decision No. 265 of 2023”,
  - Federal Tax Authority Decision No. 7 of 2023 on Provisions of Exemption from Corporate Tax for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “FTA Decision No. 7 of 2023”,
  - Federal Tax Authority Decision No. 13 of 2023 on Determination of Conditions for Conversion of Amounts Quantified in a Currency other than the United Arab Emirates Dirham for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, is referred to as “FTA Decision No. 13 of 2023”, and



- Federal Tax Authority Decision No. 16 of 2023 on Determining the Requirements for the Registration of the Unincorporated Partnership and Determining the Distributive Shares of Partners in an Unincorporated Partnership for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses and its amendments, is referred to as “FTA Decision No. 16 of 2023”.

## 2.6. Status of this guide

This guidance is not a legally binding document but is intended to provide assistance in completing a Tax Return for Corporate Tax purposes in the UAE. The information provided in this guide should not be interpreted as legal or tax advice. It is not meant to be comprehensive and does not provide a definitive answer in every case. It is based on the legislation as it stood when the guide was published. Each Person’s own specific circumstances should be considered.

The Corporate Tax Law, the implementing decisions and the guidance materials referred to in this document will set out the principles and rules that govern the application of Corporate Tax. Nothing in this publication modifies or is intended to modify the requirements of any legislation.

Some schedules mentioned in this Guide are not yet available on the current version of the Corporate Tax Return, and will be updated shortly.

This document is subject to change without notice.



### 3. Overview of a Tax Return

A Taxable Person is required to submit a Tax Return and pay any Corporate Tax due to the FTA within 9 months of the end of its Tax Period.<sup>1</sup> This is a self-assessment process.

The form and manner are prescribed by the FTA, which can also include schedules and/or attachments. A Tax Return must be completed and filed online through EmaraTax.

Timely preparation and filing of an accurate Tax Return ensure that the relevant Taxable Person meets their obligations, pays the correct amount of Corporate Tax and avoids penalties.

A Tax Return must be submitted by a Taxable Person, or another Person who has the right to do so on behalf of the Taxable Person. This includes a Tax Agent or a Legal Representative. In the case of an Unincorporated Partnership treated as a separate Taxable Person, the appointed responsible partner is required to file the Tax Return on behalf of the Unincorporated Partnership.<sup>2</sup> Where the Taxable Person is a Tax Group, the Parent Company of the Tax Group is required to file the Tax Return on behalf of the Tax Group.<sup>3</sup>

A Tax Return comprises of several parts. It allows a Taxable Person to report their Taxable Income including any relevant adjustments, such as exemptions and reliefs claimed. The parts of the Tax Return include:

- Part A – Taxable Person information
- Part B – Elections
- Part C – Accounting Schedule
- Part D – Accounting Adjustments and Exempt Income
- Part E – Reliefs
- Part F – Other Adjustments
- Part G – Tax Liability and Tax Credits
- Part H – Review and Declaration
- Part I – Schedules

The sections below explain the information required to be provided when completing each part of the Tax Return. In EmaraTax, the Taxable Person should only see fields and schedules which may be applicable to them. In other words, a Taxable Person would not see every field which appears in this guide.

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<sup>1</sup> Article 53(1) of the Corporate Tax Law.

<sup>2</sup> Article 16(9)(c) of the Corporate Tax Law.

<sup>3</sup> Article 53(7) of the Corporate Tax Law.



If the Taxable Person believes a field is relevant to them but it does not appear in their Tax Return, the Taxable Person needs to ensure that the information which they have provided during the Tax Registration process was correct. In addition, the Taxable Person will also need to ensure that the responses in the fields in the Tax Return are correct.

If a Person who has registered for Corporate Tax purposes falls out of scope of Corporate Tax by virtue of a Double Taxation Agreement, this will be established at the Taxable Person details section of the guide (see Section [4](#)). The Person will consequently not be required to complete a full Tax Return.

### 3.1. Taxable Person details

This part of the Tax Return contains pre-populated data as well as fields that need to be completed by the Taxable Person. This enables EmaraTax to create a tailor-made Tax Return, showing each Taxable Person only the fields and schedules, which are potentially relevant. If any of the pre-populated data is incorrect, the Taxable Person will be directed to correct this information before proceeding with the completion of their Tax Return. For further information on this, see Section [4](#).

The Tax Return caters for the following categories of Taxable Persons:

- Juridical person that is a Resident Person.
- Juridical person that is a Non-Resident Person (for example, a juridical person that is a Non-Resident Person with a UAE Permanent Establishment).
- Natural person who is a Resident Person.
- Natural person who is a Non-Resident Person (for example, a natural person who is a Non-Resident Person with a UAE Permanent Establishment).
- Qualifying Free Zone Person. i.e. a Taxable Person that is located in the Free Zone and meets the conditions to be a Qualifying Free Zone Person. If a Taxable Person located in a Free Zone does not meet the conditions to be a Qualifying Free Zone Person or has elected not to be treated as a Qualifying Free Zone Person, it will complete the Tax Return as a juridical person that is a Resident Person or a Non-Resident Person, as the case may be.
- Tax Group that has been approved by the FTA pursuant to an application submitted jointly by the Parent Company and each Subsidiary seeking to become members of the Tax Group.
- Unincorporated Partnership that has received an approved application to be treated as a separate Taxable Person.
- Exempt Persons. Exempt Persons are not required to complete a Tax Return unless (in certain limited circumstances and depending on the type of Exempt Person), they have a taxable Business, in which case they will be treated as a Taxable Person that is a Resident Person insofar as they conduct taxable Business, as explained in Section [23](#) below.



### 3.2. Elections

All elections are available in the Tax Return. In order for an election to become effective, the Taxable Person needs to satisfy any relevant conditions. See Section [5](#) for further information on making elections.

Once the relevant election is made in the Tax Return, it will apply and there will be no further action or confirmation from the FTA. If the election applies to more than one Tax Period, it will automatically reflect in the Taxable Person's subsequent Tax Return. The table below lists the possible elections along with a brief explanation.

Election	Brief explanation
Realisation basis	<p>A Taxable Person that prepares their Financial Statements on an Accrual Basis of Accounting may elect to take into account gains and losses on a realisation basis.<sup>4</sup> This means that unrealised gains and losses recorded in the Taxable Person's Financial Statements are disregarded for Corporate Tax purposes.</p> <p>This election may only be made in the Tax Return for the Taxable Person's first Tax Period. The election is irrevocable except in exceptional circumstances and pursuant to approval by the FTA.<sup>5</sup> It, therefore, applies to all future Tax Periods.</p>
Transitional rules	<p>A Taxable Person with Qualifying Financial Assets or Qualifying Financial Liabilities, Qualifying Immovable Property and/or Qualifying Intangible Assets owned before the first Tax Period and recorded on the historical cost basis may elect to adjust their Taxable Income to exclude gains (and in some cases losses) related to the period preceding the first Tax Period, if they dispose of such assets or liabilities in the future. This election is not available if an election has been made to use the Cash Basis of Accounting.<sup>6</sup></p> <p>This election may only be made in the Tax Return for the Taxable Person's first Tax Period. The election is irrevocable except under exceptional circumstances and pursuant to approval by the FTA.<sup>7</sup></p>

<sup>4</sup> Article 20(3) of the Corporate Tax Law and Article 8(1) of Ministerial Decision No. 134 of 2023.

<sup>5</sup> Article 8(3) of Ministerial Decision No. 134 of 2023.

<sup>6</sup> Articles 2, 3 and 4 of Ministerial Decision No. 120 of 2023.

<sup>7</sup> Articles 2(5), 3(4) and 4(3) of Ministerial Decision No. 120 of 2023.



Election	Brief explanation
Small Business Relief	<p>This is an annual election which can be made by a Resident Person with Revenue of AED 3 million or less in the relevant Tax Period and all previous Tax Periods.<sup>8</sup> This election is not available to a Resident Person who is a member of a MNE Group or who is a Qualifying Free Zone Person.<sup>9</sup></p> <p>A Taxable Person that makes a valid election for Small Business Relief will not be required to:</p> <ul style="list-style-type: none"> <li>• calculate their Taxable Income, and</li> <li>• pay any Corporate Tax on income earned in the relevant Tax Period.</li> </ul> <p>In addition, a Taxable Person making this election will need to fill fewer fields to complete their Tax Return.</p>
Transfers within a Qualifying Group	<p>When two Taxable Persons meet the conditions to be treated as members of the same Qualifying Group,<sup>10</sup> the Transferor can make an election to apply the relief for transfers within a Qualifying Group.<sup>11</sup> This allows relevant assets and liabilities to be transferred between members of the Qualifying Group with no gain or loss arising for Corporate Tax purposes.</p> <p>This election will apply to all transfers of assets and liabilities held on capital account by the Transferor within the Qualifying Group for the Tax Period in relation to which the election is made as well as in all future Tax Periods.<sup>12</sup></p> <p>This election is irrevocable, except under exceptional circumstances, pursuant to approval by the FTA.<sup>13</sup></p>
Business Restructuring Relief	<p>This relief eliminates the Corporate Tax impact of certain transactions undertaken as part of the restructuring or reorganisation of a Business where the relevant conditions are satisfied.<sup>14</sup></p> <p>An election for Business Restructuring Relief is required by the Transferor for each applicable Business restructuring</p>

<sup>8</sup> Article 2(1) of Ministerial Decision No. 73 of 2023.

<sup>9</sup> Article 3 of Ministerial Decision No. 73 of 2023.

<sup>10</sup> Article 26(2) of the Corporate Tax Law.

<sup>11</sup> Article 3(1) of Ministerial Decision No. 132 of 2023.

<sup>12</sup> Article 3(4) of Ministerial Decision No. 132 of 2023

<sup>13</sup> Article 3(3) of Ministerial Decision No. 132 of 2023.

<sup>14</sup> Article 27(2) of the Corporate Tax Law.





Election	Brief explanation
	transaction meeting the conditions for relief. <sup>15</sup> This election does not apply to any future restructuring transactions performed by the Transferor or Transferee.
Foreign Permanent Establishment exemption	This is an annual election which is available to a Resident Person to exclude the income and expenses of all its Foreign Permanent Establishments (for example, overseas branches) from the calculation of its Taxable Income. <sup>16</sup> Subject to certain conditions, this election applies to the Resident Person's Foreign Permanent Establishments which are subject to Corporate Tax, or a foreign tax of a similar character at a rate of not less than 9%. <sup>17</sup>

### 3.3. Tax computation

The starting point for determining Taxable Income is Accounting Income. The Accounting Income is subject to adjustments in order to determine the Taxable Income for Corporate Tax purposes.<sup>18</sup>

*For further information on the determination of Taxable Income, see the [Corporate Tax Guide on Determination of Taxable Income](#).*

To determine Taxable Income, the Tax Return requires answers to a series of fields. Each of these fields is explained from Section [4](#) to Section [11](#). The answers determine which schedules the Taxable Person will be directed to complete. An explanation of the schedules can be found from Section [12](#) to Section [22](#).

A Qualifying Free Zone Person must still complete the relevant parts of the Tax Return (as explained from Section [4](#) to Section [11](#) of this guide). This includes identifying Qualifying Income which is subject to Corporate Tax at 0%, and Taxable Income that is not Qualifying Income, which is subject to Corporate Tax at 9%.

### 3.4. Tax Period

<sup>15</sup> Article 4 of Ministerial Decision No. 133 of 2023.

<sup>16</sup> Article 24(1), (2) and (6) of the Corporate Tax Law.

<sup>17</sup> Article 24(7) of the Corporate Tax Law.

<sup>18</sup> Article 20(2) of the Corporate Tax Law.



The Tax Period of a Taxable Person who is a natural person is usually the Gregorian calendar year. The first Tax Period for natural persons is the Gregorian calendar year 2024.

The Tax Period for a Taxable Person other than a natural person is the Financial Year or part thereof for which a Tax Return is required to be filed.<sup>19</sup> The Financial Year shall be the Gregorian calendar year or the 12-month period for which they prepare their Financial Statements.<sup>20</sup> Circumstances may arise where a Taxable Person's Tax Period is longer or shorter than 12 months. A Taxable Person can make an application to the FTA to change their Tax Period, subject to meeting certain conditions.<sup>21</sup>

In the Tax Return, the Tax Period will be pre-populated based on the details available in the Taxable Person's EmaraTax account. The Taxable Person should check that the pre-populated details are correct before proceeding further.

### 3.5. Tax Return schedules

The Tax Return uses schedules to assist with relevant calculations and populating figures in the Tax Return where applicable.

The Taxable Person may be redirected to a schedule as they complete the Tax Return. Once a schedule is completed, the Taxable Person will be redirected back to their Tax Return that will contain the figures from the completed schedule. The Taxable Person can access the schedules again to make any necessary changes before submitting the Tax Return.

The Tax Return has the following schedules. The Taxable Person will only be directed to those which are relevant to them.

No.	Name	Description
1	Free Zone Schedule (see Section <a href="#">12.1</a> )	Completed by a Qualifying Free Zone Person to provide information on Revenue, non-qualifying Revenue for de-minimis calculation, Qualifying Income, substance and additional information explained under Section <a href="#">12</a> .
2	Free Zone income from Intellectual Property Schedule (see Section <a href="#">12.2</a> )	Completed by a Qualifying Free Zone Person who has derived income from the ownership or exploitation of Qualifying Intellectual Property.

<sup>19</sup> Article 57(1) of the Corporate Tax Law.

<sup>20</sup> Article 57(2) of the Corporate Tax Law.

<sup>21</sup> Article 58 of the Corporate Tax Law read with FTA Decision No. 5 of 2023.



No.	Name	Description
3	UAE Dividends Schedule (see Section <a href="#">13</a> )	Completed by a Taxable Person who has received Dividends from juridical persons that are Resident Persons under the Corporate Tax Law.
4	Foreign Permanent Establishment Schedule (see Section <a href="#">14</a> )	Completed by a Taxable Person who has made an election to exclude the income and associated expenditure of eligible Foreign Permanent Establishments from Corporate Tax.
5	Tax Credit Schedule (see Section <a href="#">15</a> )	Completed by a Taxable Person who is claiming a Foreign Tax Credit.
6	Related Party Transaction Schedule (see Section <a href="#">16</a> )	Completed by a Taxable Person who is required to disclose transactions with Related Parties as explained in Section <a href="#">16.1</a> .
7	Connected Persons Schedule (see Section <a href="#">16</a> )	Completed by a Taxable Person who has made payments to Connected Persons as explained in Section <a href="#">16.2</a> .
8	Tax Losses Schedule (see part <a href="#">A</a> of Section <a href="#">17</a> )	Completed by a Taxable Person (except a Tax Group) who: <ul style="list-style-type: none"> <li>• has brought forward Tax Losses,</li> <li>• utilised Tax Losses during the Tax Period,</li> <li>• has received Tax Losses from another Taxable Person during the Tax Period, or</li> <li>• has transferred a Tax Loss during the Tax Period.</li> </ul>
9	Tax Group Loss Schedule (see part <a href="#">B</a> of Section <a href="#">17</a> )	Completed by the Tax Group. This schedule requires information in relation to: <ul style="list-style-type: none"> <li>• pre-grouping Tax Losses of any new Subsidiaries which joined the Tax Group during the Tax Period,</li> <li>• pre-grouping Tax Losses which the Tax Group utilised during the Tax Period,</li> <li>• the utilisation and other changes in brought forward and current period Tax Losses of the Tax Group which are not pre-grouping Tax Losses,</li> <li>• Tax Losses received by the Tax Group from another Taxable Person outside the Tax Group,</li> <li>• transfers of Tax Losses by the Tax Group to another Taxable Person outside the Tax Group.</li> </ul>
10	Participation Exemption Schedule (see Section <a href="#">18</a> )	Completed by a Taxable Person that has derived income or losses from a Participation which is exempt



No.	Name	Description
		under the Corporate Tax Law, other than Dividends paid by a juridical person that is a Resident Person. <sup>22</sup>
11	Interest capping Schedule (see Section <a href="#">19</a> )	Completed by a Taxable Person that has Net Interest Expenditure and is subject to the General Interest Deduction Limitation Rule.
12	Transfers within a Qualifying Group Schedule (see part <a href="#">A</a> of Section <a href="#">20</a> )	Completed by a Taxable Person that has elected, or is a party to transfers within a Qualifying Group to which this relief applies.  Also completed by a Taxable Person who has been party to a transfer benefitting from the relief in a previous Tax Period and the relief is now subject to clawback.
13	Business Restructuring Relief Schedule (see part <a href="#">B</a> of Section <a href="#">20</a> )	Completed by a Taxable Person that has elected or was a party to a transfer in respect of which Business Restructuring Relief applies.  Also completed by a Taxable Person who has been party to a transfer under Business Restructuring Relief in previous Tax Periods and the relief is now subject to clawback.
14	Transitional Rules - Qualifying Immovable Property Schedule (see part <a href="#">A</a> of Section <a href="#">21</a> )	Completed by a Taxable Person that has elected to exclude an element of a gain recognised on Qualifying Immovable Property owned prior to the Taxable Person's first Tax Period.
15	Transitional Rules - Qualifying Intangible Assets Schedule (see part <a href="#">B</a> of Section <a href="#">21</a> )	Completed by a Taxable Person that has elected to exclude an element of a gain recognised on Qualifying Intangible Assets owned prior to the Taxable Person's first Tax Period.
16	Transitional Rules - Financial Assets and Financial Liabilities Schedule (see part <a href="#">C</a> Section <a href="#">21</a> )	Completed by a Taxable Person that has elected to exclude an element of a gain or loss recognised on Financial Assets and Financial Liabilities owned prior to the Taxable Person's first Tax Period.
17	Income/losses which will not subsequently be reported in the income statement	Completed by a Taxable Person that has recognised gains and losses in its Financial Statements which will not be recognised in the income statement.

<sup>22</sup> Article 22(2) and 22(3) read with Article 23 of the Corporate Tax Law.



No.	Name	Description
	Schedule (see Section <a href="#">22.1</a> )	
18	Unrealised gains/losses Schedule (see Section <a href="#">22.2</a> )	Completed by a Taxable Person that has made the election to be subject to tax on the realisation basis and has unrealised gains and/or losses in the Tax Period.
19	Adjustments for unrealised gains/losses from previous Tax Periods which have been realised in the current Tax Period Schedule (see Section <a href="#">22.3</a> )	Completed by a Taxable Person that, due to the application of the realisation basis, previously deferred an unrealised gain or loss which has subsequently been realised in the current Tax Period.
20	Attachments Schedule (see Section <a href="#">22.4</a> )	Includes a list of all documents that may be required to be submitted with the Tax Return, as applicable. If any documents are not provided, a reason should be given.

### 3.6. Required documents

During the process of completing the Tax Return, the Taxable Person may be required to upload documents. The exact requirements will depend on various factors including the category of Taxable Person and reliefs claimed. For further information see Section [22.4](#) regarding the 'Additional attachments' Schedule.



## 4. Taxable Person details

Some of the information will be prepopulated in the Tax Return based on information provided by you as a Taxable Person at the registration for Corporate Tax purposes. As stated in Section [3.1](#), you should review the accuracy of the details displayed and, if correct, click the confirmation box. If any details are incorrect, you will be directed to your EmaraTax profile to update your EmaraTax account details. Once the updates are completed, they are subject to approval by the FTA. Nonetheless, this will not prevent you from proceeding with your Tax Return for its further completion and submission. The following will typically be pre-populated:

Pre-populated information
Taxable Person name (in English and Arabic)
Tax Registration Number for Corporate Tax ("TRN")
Address details (country, address line, city, country code, landline number, mobile number, email ID and P.O. Box)
Tax Period
Primary Business
Type of Taxable Person

The information provided in this part of the Tax Return will tailor the rest of the Tax Return by omitting fields which are not relevant. Therefore, as indicated above, you may not see all of the questions below.

### 4.1. Fields relevant to natural persons

<b>4.1.1</b>	Is the Taxable Person a partner in one or more Unincorporated Partnerships?
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An Unincorporated Partnership is a relationship established by contract between two Persons or more, such as a partnership or trust or any other similar association of Persons.<sup>23</sup>

Answer 'Yes' if you are a partner in an Unincorporated Partnership.

In answering this question, it does not matter whether the Unincorporated Partnership has had approval from the FTA to be treated as a separate Taxable Person or not.

*For further information on Unincorporated Partnerships, see the [Corporate Tax Guide on Taxation of Partnerships](#).*

<sup>23</sup> Article 1 of the Corporate Tax Law.



**4.1.2** What is the TRN of the Unincorporated Partnership(s)?

All Unincorporated Partnerships are required to register for Corporate Tax and will be issued a TRN.<sup>24</sup>

If you are a partner in one or more Unincorporated Partnerships, you must provide the TRNs for Corporate Tax purposes of all the Unincorporated Partnerships in which you are a partner.

**4.1.3** What is the Person's Turnover from Business and Business Activity conducted in the UAE?

Enter the amount of Turnover.

Turnover is the gross income derived during a Gregorian calendar year before any expenses are deducted.<sup>25</sup> For natural persons, Turnover excludes income from employment, Real Estate Investment and Personal Investment, regardless of the amount.<sup>26</sup>

You must aggregate the Turnover from all your Businesses and Business Activities.

*For further information on how to calculate the Turnover from Business and Business Activities, see the [Corporate Tax Guide on Taxation of Natural Persons under the Corporate Tax Law](#).*

**4.1.4** Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis?

Answer 'Cash' or 'Accrual' depending on the accounting basis you chose to use.

While you are generally required to use the Accrual Basis of Accounting, you may choose to use the Cash Basis of Accounting:<sup>27</sup>

- if your Revenue does not exceed AED 3 million within the relevant Tax Period, or
- in exceptional circumstances and pursuant to an application submitted to the FTA.

<sup>24</sup> Article 51(2) of the Corporate Tax Law read with FTA Decision No. 16 of 2023.

<sup>25</sup> Article 1 of Cabinet Decision No. 49 of 2023.

<sup>26</sup> Article 2(2) of Cabinet Decision No. 49 of 2023.

<sup>27</sup> Article 20(5)(a) of the Corporate Tax Law read with Article 2 of Ministerial Decision No. 114 of 2023.



When determining the threshold of AED 3 million, the amount of Revenue will be the same as the amount of your Turnover.

For further information about the Cash Basis of Accounting and the Accrual Basis of Accounting, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>4.1.5</b>	Does the Taxable Person conduct more than one Business or Business Activity?
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Pre-populated as 'Yes' or 'No' based on the information obtained from you during the Tax Registration process with respect to Business and Business Activities conducted in the UAE. However, you can edit the pre-populated answer.

This information is gathered only for reporting purposes and will not impact the determination of Taxable Income.

<b>4.1.6</b>	How many Businesses or Business Activities does the Taxable Person conduct?
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This question will be visible if you have answered 'Yes' in field **4.1.5**.

The answer is pre-populated based on the information obtained from you during the Tax Registration process with respect to Business and Business Activities conducted in the UAE. However, you can edit the pre-populated answer. This information is gathered only for reporting purposes and will not impact the determination of Taxable Income.

<b>4.1.7</b>	List of all Business and Business activities as per the Registration data
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Pre-populated based on the information obtained during the Tax Registration process. You can add more Businesses and Business Activities to the list.

<b>4.1.8</b>	Estimate the percentage (%) of its total revenue attributable to each business sector in which it operates
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Enter the percentage of income you have generated from each business sector. The total should equal 100%.





**4.1.9**

Is the Taxable Person a Resident or a Non-Resident Person for UAE Corporate Tax purposes?

In broad terms, a natural person will be a Resident Person for Corporate Tax Purposes in the UAE if their Business or Business Activity is conducted in the UAE regardless of their nationality, subject to any relevant provisions of an applicable Double Taxation Agreement. This will be applicable even if the natural person resides outside of the UAE but has not invoked the application of an applicable Double Taxation Agreement.

If there is no Double Taxation Agreement in place between the UAE and the foreign country in which you reside, and you conduct a Business or Business Activity in the UAE, then you must answer 'Resident' to this question. This means you will be treated as a Resident Person for Corporate Tax purposes.

Alternatively, if you (the natural person) reside in another country that has an applicable Double Tax Agreement with the UAE, based on which you are not a UAE tax resident, but you conduct a Business inside the UAE through, for example, a Permanent Establishment, and the Turnover attributable to the Permanent Establishment exceeds AED 1 million within a Gregorian calendar year, then you will be a Non-Resident Person for UAE Corporate Tax purposes.

Answer 'Resident' or 'Non-Resident' as appropriate.

For further information, see the [Corporate Tax Guide on Taxation of Natural Persons under the Corporate Tax Law](#).

**4.1.10**

In which country is the Taxable Person resident for tax purposes under the relevant Double Taxation Agreement?

This question will be visible if you have answered 'Non-Resident' to question **4.1.9**.

Select the country of tax residence from the drop-down list.

For further information, see the [Corporate Tax Guide on Non-Resident Persons](#) and the [Corporate Tax Guide on Taxation of Natural Persons under the Corporate Tax Law](#).

## **4.2. Fields relevant to juridical persons**

For ease of reference, the questions pertaining to juridical persons have been separated from questions pertaining to natural persons, Free Zone Persons, Unincorporated Partnerships treated as a separate Taxable Person, and Tax Groups.



<b>4.2.1</b>	Is the Taxable Person a member of a Multinational Enterprise Group?
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An MNE Group refers to a group which has two or more companies whose tax residence is located in different jurisdictions and has a total consolidated group Revenue that is equal to or more than AED 3.15 billion during the fiscal year (i.e. Financial Year) immediately preceding the current Tax Period.<sup>28</sup>

Answer 'Yes' if you are a member of an MNE Group. Otherwise, answer 'No'.

For further information on MNE Groups, see the [Corporate Tax Guide on Transfer Pricing](#).

<b>4.2.2</b>	Is the Taxable Person a partner in one or more Unincorporated Partnerships?
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An Unincorporated Partnership is a relationship established by contract between two Persons or more, such as a partnership or trust or any other similar association of Persons.<sup>29</sup>

Answer 'Yes' if you are a partner in an Unincorporated Partnership.

In answering this question, it does not matter whether the Unincorporated Partnership has received approval from the FTA to be treated as a separate Taxable Person or not.

For further information, see the [Corporate Tax Guide on Taxation of Partnerships](#).

<b>4.2.3</b>	What is the TRN of the Unincorporated Partnership(s)?
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All Unincorporated Partnerships are required to register for Corporate Tax and will be issued a TRN.<sup>30</sup>

If you are a partner in one or more Unincorporated Partnerships, you must provide the TRNs for Corporate Tax purposes of all the Unincorporated Partnerships in which you are a partner.

<sup>28</sup> Cabinet Resolution No. 44 of 2020.

<sup>29</sup> Article 1 of the Corporate Tax Law.

<sup>30</sup> Article 51(2) of the Corporate Tax Law read with FTA Decision No. 16 of 2023.



<b>4.2.4</b>	Is the Tax Return being completed by a Government Entity, Government Controlled Entity, Extractive Business or Non-Extractive Natural Resource Business?
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Answer 'Yes' or 'No' as applicable.

This question only applies to the entities listed in the field. The Persons referred to in this question are particular categories of Exempt Persons and you should only answer 'Yes' if you fall into one of the categories mentioned in the field.

<b>4.2.5</b>	Has the entity conducted a Business or Business Activity during the Tax Period which is subject to UAE Corporate Tax?
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This question will only appear if you have answered 'Yes' to question **4.2.4**, i.e. if you are a Government Entity, Government Controlled Entity, Extractive Business or Non-Extractive Natural Resource Business.

Answer 'Yes' or 'No' as applicable.

The purpose of this question is to determine whether any of the Exempt Persons to which this question applies conduct separate Businesses or Business Activities which fall within the scope of Corporate Tax (see Section [23.1](#)). If you answer 'Yes' to this question, you will be required to complete the Tax Return in relation to such Businesses or Business Activities.

<b>4.2.6</b>	What is the Taxable Person's Revenue derived during the Tax Period?
--------------	---------------------------------------------------------------------

Enter your total/aggregate gross income from all sources before any expenses or reliefs.

<b>4.2.7</b>	Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis?
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While you are generally required to use the Accrual Basis of Accounting, you may use the Cash Basis of Accounting:<sup>31</sup>

- if your Revenue does not exceed AED 3 million within the relevant Tax Period, or
- in exceptional circumstances and pursuant to an application submitted to the FTA.

<sup>31</sup> Article 20(5)(a) of the Corporate Tax Law read with Article 2 of Ministerial Decision No. 114 of 2023.



When determining Revenue, the aggregate gross income from all your Businesses and Business Activities must be taken into account.

Answer 'Cash' or 'Accrual' as appropriate.

For further information about the Cash Basis of Accounting and the Accrual Basis of Accounting, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>4.2.8</b>	Does the Taxable Person conduct more than one Business or Business Activity?
--------------	------------------------------------------------------------------------------

Pre-populated as 'Yes' or 'No' based on information obtained from you with respect to your Business and Business Activities during the Tax Registration process. However, you can edit the pre-populated answer.

This question and the subsequent related questions are raised in order to gain a further understanding of your Business Activities (for example, if the Taxable Person such as a company has more than one Business division) and will not impact the determination of Taxable Income.

<b>4.2.9</b>	How many Businesses or Business Activities does the Taxable Person conduct?
--------------	-----------------------------------------------------------------------------

This question will be visible if you have answered 'Yes' to question **4.2.8**.

The answer is pre-populated based on information obtained from you with respect to your Business and Business Activities during the Tax Registration process. However, you can edit the pre-populated answer.

<b>4.2.10</b>	List of all Business and Business activities as per the Registration data
---------------	---------------------------------------------------------------------------

Pre-populated based on the information obtained during the Tax Registration process. You can add more Businesses and Business Activities to the list.

<b>4.2.11</b>	Estimate the percentage (%) of its total revenue attributable to each business sector in which it operates
---------------	------------------------------------------------------------------------------------------------------------

Enter the percentage of income you have generated from each business sector. The total should equal 100%.



<b>4.2.12</b>	Is the Taxable Person incorporated or otherwise established or recognised under the laws of the UAE or under the laws of a Free Zone?
---------------	---------------------------------------------------------------------------------------------------------------------------------------

The answer to this question will be pre-populated as 'Yes' or 'No' based on the information obtained during the Tax Registration process. It will be answered 'Yes', where the Taxable Person is incorporated or established, either in the UAE mainland or in a Free Zone, and if not incorporated or established in the UAE mainland or a Free Zone, the answer will be 'No'.

If the answer to this question is 'Yes', go to field **4.2.13** (i.e. in the next field).

If the answer to this question is 'No', go to field **4.2.16**.

<b>4.2.13</b>	Is the Taxable Person tax resident in a foreign jurisdiction under an applicable Double Taxation Agreement?
---------------	-------------------------------------------------------------------------------------------------------------

This question will be visible if the answer to question **4.2.12** is 'Yes'.

In broad terms, a juridical person can be incorporated and considered resident in the UAE, but in terms of an applicable Double Taxation Agreement, it can potentially be a tax resident in another jurisdiction (for example, if its place of effective management is in another jurisdiction or based on the mutual agreement procedure between the competent authorities of the UAE and the other jurisdiction that is a party to an applicable Double Taxation Agreement).

Based on the above principles, this should be answered 'Yes' where:

- you meet the residency criteria of the Double Taxation Agreement in relation to the foreign jurisdiction, or
- you meet the residency criteria of the Double Taxation Agreement for both the foreign jurisdiction and the UAE, but the 'tie breaker' rules in the Double Taxation Agreement make you a tax resident in the foreign jurisdiction.

If not, or if there is no Double Taxation Agreement in place, then answer 'No'. In such case, you are a juridical person that is a Resident Person for Corporate Tax purposes and you go to Section [4.3](#).

Where this is uncertain, for instance, because the UAE and other tax authorities are trying to resolve, or have not resolved, the matter and if you are incorporated in the UAE, you should answer 'No' in this field. You will, therefore, be treated as a Resident Person in the UAE for Corporate Tax purposes.



For further information, see the [Tax Procedures Guide on Tax Resident and Tax Residency Certificate](#) and the [Corporate Tax Guide on Non-Resident Persons](#).

<b>4.2.14</b>	In which country is the Taxable Person tax resident under the applicable Double Taxation Agreement?
---------------	-----------------------------------------------------------------------------------------------------

This question will be visible if the answer to question **4.2.13** is 'Yes'.

Select the country of residence from the drop-down list.

<b>4.2.15</b>	Is the Taxable Person a Non-Resident Person?
---------------	----------------------------------------------

This question will be visible if you answered 'Yes' to question "*Is the Taxable Person tax resident in a foreign jurisdiction under an applicable Double Taxation Agreement?*". In such case, you must consider whether you are a Non-Resident Person for Corporate Tax purposes, for example, on the basis that you have a nexus in the UAE because you earn income from any Immovable Property in the UAE, or you have a Permanent Establishment in the UAE.

Answer 'Yes' or 'No' as applicable.

If the answer to this question is 'Yes', go to field **4.2.20**.

If the answer to this question is 'No', go to Section [11](#) (Review and Declaration).

For further information, see the [Corporate Tax Guide on Non-Resident Persons](#).

<b>4.2.16</b>	Is the Taxable Person incorporated or otherwise established or recognised under the laws of a foreign jurisdiction but effectively managed and controlled in the UAE?
---------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------

This question will be visible if you answered 'No' to field **4.2.12**.

The concept of place of effective management and control is similar to the place of effective management as contemplated in the OECD Model Tax Convention.

For further information on place of effective management and control, see the [Tax Procedures Guide on Tax Resident and Tax Residency Certificate](#).

Answer 'Yes' or 'No' as applicable.

If the answer to this question is 'Yes', go to field **4.2.17**.



If the answer to this question is 'No', then you will be treated as a juridical person that is a Non-Resident Person for Corporate Tax purposes and you go to question **4.2.19**.

<b>4.2.17</b>	Is the Taxable Person resident in a foreign jurisdiction under an applicable Double Taxation Agreement?
---------------	---------------------------------------------------------------------------------------------------------

This question will be visible if the answer to question **4.2.16** is 'Yes'.

If residence is deemed to be in the foreign jurisdiction under the Double Taxation Agreement, answer 'Yes' to this question. If not, or if there is no Double Taxation Agreement in place, then answer 'No'.

If the answer to this question is 'Yes', go to field **4.2.18**.

If the answer to this question is 'No', then you are a juridical person that is a Resident Person for Corporate Tax purposes and go to Section [4.3](#).

For further information, see the [Tax Procedures Guide on Tax Resident and Tax Residency Certificate](#) and the [Corporate Tax Guide on Non-Resident Persons](#).

<b>4.2.18</b>	In which country is the Taxable Person resident for tax purposes under the applicable Double Taxation Agreement?
---------------	------------------------------------------------------------------------------------------------------------------

This question will be visible if the answer to question **4.2.17** is 'Yes'.

Select the country of residence from the drop-down list.

<b>4.2.19</b>	In which country is the Taxable Person incorporated or otherwise established?
---------------	-------------------------------------------------------------------------------

Pre-populated based on the information obtained during the Tax Registration process.

<b>4.2.20</b>	<p>What is the basis for the Non-Resident Person to file a Tax Return?</p> <ul style="list-style-type: none"> <li>• Taxable Person has a Permanent Establishment in the UAE</li> <li>• Taxable Person that is a juridical person and derives income from a nexus in the UAE</li> </ul>
---------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Please select the basis on which you are a Non-Resident Person within the scope of Corporate Tax in the UAE.



### 4.3. Fields relating to Free Zones

<b>4.3.1</b>	Is the Taxable Person incorporated, established, or otherwise registered in a Free Zone?
--------------	------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

This should be answered 'Yes' where:

- you are incorporated in a Free Zone, or
- you are incorporated outside of a Free Zone (for instance, in the UAE mainland or a foreign country), but you have a branch registered in a Free Zone.

<b>4.3.2</b>	Is the Taxable Person making an election to not be subject to Corporate Tax at the rate applicable to Qualifying Free Zone Persons?
--------------	-------------------------------------------------------------------------------------------------------------------------------------

This is asking whether you choose to forego the possibility of being subject to Corporate Tax at the 0% rate for Qualifying Income of a Qualifying Free Zone Person and are instead electing to be subject to the standard Corporate Tax rates under the Corporate Tax Law on your Taxable Income.<sup>32</sup>

Making the election prevents you from being a Qualifying Free Zone Person, and thus you cannot benefit from the 0% rate for the current and next 4 Tax Periods.<sup>33</sup>

After this election is made (either outside of the Tax Return or when completing your Tax Return), this question will not appear for these subsequent periods.

Answer 'Yes' or 'No' as applicable.

If the answer to this question is 'Yes', go to Section [5](#) (Elections).

If the answer to this question is 'No', go to question **4.3.3**.

If you have addressed this election outside the Tax Return, this field will not appear in your Tax Return.

<b>4.3.3</b>	Does the Taxable Person meet the requirements to be considered a Qualifying Free Zone Person?
--------------	-----------------------------------------------------------------------------------------------

This question will be visible if you have answered 'Yes' to question **4.3.2**.

<sup>32</sup> Article 3 of the Corporate Tax Law.

<sup>33</sup> Article 5(2) of Ministerial Decision No. 265 of 2023.





Answer 'Yes' or 'No' as applicable.

If the answer to this question is 'Yes', complete the Free Zone schedule (go to Section [12](#)). If the answer to this question is 'No', you cannot benefit from the 0% rate for the current and 4 next Tax Periods.<sup>34</sup>

For further information on the requirements, see the [Corporate Tax Guide on Free Zone Persons](#).

#### 4.4. Fields relevant to Unincorporated Partnerships treated as separate Taxable Persons

For ease of reference, the fields pertaining to Unincorporated Partnerships treated as a separate Taxable Person have been separated from fields pertaining to natural persons, juridical persons and Tax Groups.

<b>4.4.1</b>	Is the Taxable Person a member of a Multinational Enterprise Group?
--------------	---------------------------------------------------------------------

An MNE Group is a group which has two or more companies whose tax residence is located in different jurisdictions and has a total consolidated group Revenue that is equal to or more than AED 3.15 billion during the fiscal year (i.e. Financial Year) immediately preceding the current Tax Period.<sup>35</sup>

Answer 'Yes' if you are a member of an MNE Group. Otherwise, answer 'No'.

For further information, see the [Corporate Tax Guide on Transfer Pricing](#).

<b>4.4.2</b>	Is the Taxable Person a partner in one or more Unincorporated Partnerships?
--------------	-----------------------------------------------------------------------------

An Unincorporated Partnership is a relationship established by contract between two Persons or more, such as a partnership or trust or any other similar association of Persons.<sup>36</sup>

Answer 'Yes' if you (i.e. the Unincorporated Partnership treated as a separate Taxable Person) are a partner in one or more Unincorporated Partnerships.

<sup>34</sup> Article 5(2) of Ministerial Decision No. 265 of 2023.

<sup>35</sup> Article 1 of Cabinet Resolution No. 44 of 2020.

<sup>36</sup> Article 1 of the Corporate Tax Law.



In answering this question, it does not matter whether the Unincorporated Partnership that you are a partner in has received approval from the FTA to be treated as a separate Taxable Person or not.

For further information, see the [Corporate Tax Guide on Taxation of Partnerships](#).

<b>4.4.3</b>	What is the TRN of the Unincorporated Partnership(s)?
--------------	-------------------------------------------------------

All Unincorporated Partnerships are required to register for Corporate Tax and will be issued a TRN.<sup>37</sup>

If you are a partner in one or more Unincorporated Partnerships, you must provide the TRNs for Corporate Tax purposes of all the Unincorporated Partnerships in which you are a partner.

<b>4.4.4</b>	What is the Taxable Person's Revenue derived during the Tax Period?
--------------	---------------------------------------------------------------------

Enter your total/aggregate gross income from all sources before any expenses or reliefs.

<b>4.4.5</b>	Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis?
--------------	----------------------------------------------------------------------------------------------

While you are generally required to use the Accrual Basis of Accounting, you may use the Cash Basis of Accounting:<sup>38</sup>

- if your Revenue does not exceed AED 3 million within the relevant Tax Period, or
- in exceptional circumstances and pursuant to an application submitted to the FTA.

Answer 'Cash' or 'Accrual' as appropriate.

For further information about the Cash Basis of Accounting and the Accrual Basis of Accounting, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>4.4.6</b>	Does the Taxable Person conduct more than one Business or Business Activity?
--------------	------------------------------------------------------------------------------

<sup>37</sup> Article 51(2) of the Corporate Tax Law read with FTA Decision No. 16 of 2023.

<sup>38</sup> Article 2 of Ministerial Decision No. 114 of 2023.



Pre-populated as 'Yes' or 'No' based on information obtained from you during the Tax Registration process with respect to Business and Business Activities conducted in the UAE. However, you can edit the pre-populated answer.

This information is gathered only for reporting purposes and will not impact the determination of Taxable Income.

<b>4.4.7</b>	How many Businesses or Business Activities does the Taxable Person conduct?
--------------	-----------------------------------------------------------------------------

This question will be visible if you have answered 'Yes' to question **4.4.6**.

The answer is pre-populated based on the information obtained from you during the Tax Registration process with respect to Business and Business Activities conducted in the UAE. However, you can edit the pre-populated answer. This information is gathered only for reporting purposes and will not impact the determination of Taxable Income.

<b>4.4.8</b>	List of all Business and Business Activities as per the registration data
--------------	---------------------------------------------------------------------------

Pre-populated based on the information obtained during the Tax Registration process. You can add more Businesses and Business Activities to the list.

<b>4.4.9</b>	Estimate the percentage (%) of its total Revenue attributable to each business sector in which it operates
--------------	------------------------------------------------------------------------------------------------------------

Enter the percentage of income you have generated from each business sector. The total should equal 100%.

#### **4.5. Fields relevant to Tax Groups**

For ease of reference, the questions pertaining to Tax Groups have been separated from questions pertaining to natural persons, juridical persons, and Unincorporated Partnerships treated as a separate Taxable Person.

<b>4.5.1</b>	Is the Taxable Person a member of a Multinational Enterprise Group?
--------------	---------------------------------------------------------------------

An MNE Group refers to a group which has two or more companies whose tax residence is located in different jurisdictions and the total consolidated group Revenue



of the group is equal to or more than AED 3.15 billion during the fiscal year (i.e. Financial Year) immediately preceding the current Tax Period.<sup>39</sup>

Answer 'Yes' if any member of the Tax Group is a member of an MNE Group.

For further information, see the [Corporate Tax Guide on Tax Groups](#).

<b>4.5.2</b>	Is the Taxable Person a partner in one or more Unincorporated Partnerships?
--------------	-----------------------------------------------------------------------------

An Unincorporated Partnership is a relationship established by contract between two Persons or more, such as a partnership or trust or any other similar association of Persons.<sup>40</sup>

Answer 'Yes' if any member of the Tax Group is a partner in an Unincorporated Partnership.

In answering this question, it does not matter whether the Unincorporated Partnership has received approval from the FTA to be treated as a separate Taxable Person or not.

For further information on Unincorporated Partnerships, see the [Corporate Tax Guide on Taxation of Partnerships](#).

<b>4.5.3</b>	What is the TRN of the Unincorporated Partnership(s)?
--------------	-------------------------------------------------------

All Unincorporated Partnerships are required to register for Corporate Tax and will be issued a TRN.<sup>41</sup>

If any member of a Tax Group is a partner in one or more Unincorporated Partnerships, you must provide the TRNs for Corporate Tax purposes of all the Unincorporated Partnerships in which a member of a Tax Group is a partner.

<b>4.5.4</b>	What is the Taxable Person's Revenue derived during the Tax Period?
--------------	---------------------------------------------------------------------

Enter the consolidated Revenue of the Tax Group during the Tax Period. Consolidated Revenue of the Tax Group is the aggregate Revenue (i.e. gross income from all

<sup>39</sup> Cabinet Resolution No. 44 of 2020.

<sup>40</sup> Article 1 of the Corporate Tax Law.

<sup>41</sup> Article 51(2) of the Corporate Tax Law read with FTA Decision No. 16 of 2023.



sources before any expenses or reliefs) of all members of the Tax Group after eliminating Revenue earned from transactions between members of the Tax Group.

<b>4.5.5</b>	Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis?
--------------	----------------------------------------------------------------------------------------------

While you are generally required to use the Accrual Basis of Accounting, you may use the Cash Basis of Accounting:<sup>42</sup>

- if your consolidated Revenue (i.e. consolidated Revenue of all members of the Tax Group) does not exceed AED 3 million within the relevant Tax Period, or
- in exceptional circumstances and pursuant to an application submitted to the FTA.

Consolidated Revenue of the Tax Group is the aggregate Revenue (i.e. gross income from all sources before any expenses or reliefs) of all members of the Tax Group after eliminating Revenue earned from transactions between members of the Tax Group.

Answer 'Cash' or 'Accrual' as appropriate.

For further information about the Cash Basis of Accounting and the Accrual Basis of Accounting, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>4.5.6</b>	Does the Taxable Person conduct more than one Business or Business Activity?
--------------	------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable considering the Business or Business Activities conducted by all members of the Tax Group.

This question and the subsequent related questions are raised in order to gain a further understanding of your Business Activities and will not impact the determination of Taxable Income.

<b>4.5.7</b>	How many Businesses or Business Activities does the Taxable Person conduct?
--------------	-----------------------------------------------------------------------------

This question will be visible if you have answered 'Yes' to question **4.5.6**.

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<sup>42</sup> Article 2 of Ministerial Decision No. 114 of 2023.



Enter the number of separate Businesses or Business Activities conducted by all the members of the Tax Group during the Tax Period. This information is gathered only for reporting purposes.

<b>4.5.8</b>	List of all Business and Business activities as per the Registration data
--------------	---------------------------------------------------------------------------

Pre-populated based on the information obtained during the Tax Registration process. You can add more Businesses and Business Activities to the list.

<b>4.5.9</b>	Estimate the percentage (%) of its total revenue attributable to each business sector in which it operates
--------------	------------------------------------------------------------------------------------------------------------

Enter the percentage of income you have generated from each business sector. The total should equal 100%.



## 5. Elections

This part of the Tax Return deals with elections to be made by you as a Taxable Person. Elections that are not available to you or, which have previously been made by you in a prior Tax Period, may not appear in your Tax Return.

In addition, where certain elections are made, this will mean that additional fields and schedules in relation to those elections must be completed further along the Tax Return.

### 5.1. Realisation basis

If you prepare your Financial Statements on an Accrual Basis of Accounting, you may elect to take into account gains and losses on a realisation basis.<sup>43</sup> The effect of this election is that gains and losses are only subject to Corporate Tax when a realisation event occurs, such as when an asset is disposed of, or a liability is settled.<sup>44</sup>

For further information on the realisation basis, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>5.1.1</b>	Would the Taxable Person like to elect to use the realisation basis?
--------------	----------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

This election can only be made at the time of submitting your first Tax Return and cannot be made in a subsequent Tax Period.<sup>45</sup> It is irrevocable except under exceptional circumstances, pursuant to approval by the FTA.<sup>46</sup>

If you use the Cash Basis of Accounting, the election is not available. Therefore, this question will not appear for you if in response in the relevant field in your Tax Return (see Section 4), you state that your Financial Statements are prepared under the cash basis.

If you have received approval from the FTA to revoke a previous election, you cannot make another election in a future Tax Return.

If you are a Tax Group, you can make an independent election during your first Tax Period. If any of your members had a first Tax Period before the Tax Group is formed,

<sup>43</sup> Article 20(3) of the Corporate Tax Law and Article 8(1) of Ministerial Decision No. 134 of 2023.

<sup>44</sup> Article 2(3)(c) and 2(4)(c) of Ministerial Decision No. 134 of 2023.

<sup>45</sup> Article 8(3) of Ministerial Decision No. 134 of 2023.

<sup>46</sup> Article 8(3) of Ministerial Decision No. 134 of 2023.



the members will forfeit their election and subsequently follow the decision of the Tax Group. Even when a new Subsidiary joins the Tax Group, the decision of the Tax Group applies to the newly joined Subsidiary, even if the Subsidiary's decision was different before joining the Tax Group.

If you cease to be a member of a Tax Group or the Tax Group ceases to exist, you are required to follow the same election as the Tax Group. Hence, the election made by the Tax Group of which you were formerly a member will be pre-populated here.

<b>5.1.2</b>	Is the Taxable Person a Bank or Insurance Provider?
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If you are a Bank or Insurance Provider in the UAE, answer 'Yes'. This determines the assets and liabilities to which the election applies.

If you are a Tax Group, answer 'Yes' if any member is a Bank or Insurance Provider.

<b>5.1.3</b>	<p>Would the Taxable Person like to elect for the realisation basis in respect of:</p> <p>A. All assets and liabilities that are subject to fair value or impairment accounting; or</p> <p>B. All assets and liabilities held on capital account at the end of a Tax Period?</p>
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Select 'A' or 'B' as appropriate.

For Banks and Insurance Providers (or a Tax Group which includes a member that is a Bank or Insurance Provider), only option B is available.<sup>47</sup>

## 5.2. Transitional rules

This election allows you to adjust your Taxable Income to exclude gains or losses related to periods preceding the first Tax Period if you owned Qualifying Financial Assets or Qualifying Financial Liabilities, Qualifying Immovable Property and/or Qualifying Intangible Assets at the start of your first Tax Period and recorded them on a historical cost basis.<sup>48</sup> If you have not recorded the relevant assets on a historical cost basis in your financial statements, you are not entitled to make this election in relation to such assets.

<sup>47</sup> Article 8(2) of Ministerial Decision No. 134 of 2023.

<sup>48</sup> Articles 2, 3 and 4 of Ministerial Decision No. 120 of 2023.





If you make an election to apply the transitional rules as per the questions below, you will be guided to the relevant schedule in the Tax Return (see Section [21](#)).

For further information, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#)

<b>5.2.1</b>	Is the Taxable Person making an election to adjust Taxable Income for gains recognised on any Qualifying Immovable Property owned prior to the first Tax Period?
<b>5.2.2</b>	Is the Taxable Person making an election to adjust Taxable Income for gains recognised on all Qualifying Intangible Assets owned prior to the first Tax Period?
<b>5.2.3</b>	Is the Taxable Person making an election to adjust Taxable Income for gains and losses on all Qualifying Financial Assets and/or Qualifying Financial Liabilities owned prior to the first Tax Period?

Answer 'Yes' or 'No' as applicable.

This election can only be made when filing your first Tax Return.<sup>49</sup> With the exception of Qualifying Immovable Property, where it is possible to make the election for individual assets, the election applies to all relevant categories of assets and/or liabilities.

This election is not available if you use the Cash Basis of Accounting. Hence, this question will not be visible if you answered 'Cash' to the question '*Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis*' in Taxable Person details (see Section [4](#)).

If you are a Tax Group, the election for transitional rules works as follows:

- (a) If none of your members had a first Tax Period before joining the Tax Group, you (i.e. the Tax Group) can independently elect for transitional rules in your first Tax Period.
- (b) If any of your members had a first Tax Period before joining the Tax Group and your members previously made elections in relation to certain assets, then the relevant election will continue to apply only to such assets in the Tax Group.

If you were a member of a Tax Group referred to in scenario (a) above but left the Tax Group or the Tax Group ceases to exist, you are required to follow the same election

<sup>49</sup> Articles 2(5), 3(4) and 4(3) of Ministerial Decision No. 120 of 2023.



as the Tax Group. Hence, the election made by the Tax Group of which you were formerly a member, will be pre-populated here.

If you were a member of a Tax Group referred to in scenario (b) above but left the Tax Group or the Tax Group ceases to exist, you will continue with the same elections which you made on a standalone basis prior to joining the Tax Group.

### 5.3. Small Business Relief

If you elect for Small Business Relief, you are treated as not deriving any Taxable Income for Corporate Tax purposes.<sup>50</sup> Broadly, the requirements are to be a Resident Person (excluding Qualifying Free Zone Persons and members of an MNE Group) with Revenue not exceeding AED 3 million in the current and all previous Tax Periods.<sup>51</sup>

The fields in this section will not appear if you do not meet the requirements above.

For further information, see the [Corporate Tax Guide on Small Business Relief](#).

<b>5.3.1</b>	Revenue in the Tax Period
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This is pre-populated based on your answer provided in Taxable Person information (see Section [4](#)).

<b>5.3.2</b>	Would the Taxable Person like to make an election for Small Business Relief?
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Answer 'Yes' or 'No' as applicable. You will not see this question in the Tax Return, if you are not eligible for Small Business Relief, assuming that all the questions in Section [4](#) were answered correctly.

### 5.4. Transfers within a Qualifying Group

This election allows for the transfer of certain assets and/or liabilities between members of a Qualifying Group to be on a no gain or loss basis for Corporate Tax purposes.<sup>52</sup>

<sup>50</sup> Article 21(1) of the Corporate Tax Law.

<sup>51</sup> Articles 2 and 3 of Ministerial Decision No. 73 of 2023.

<sup>52</sup> Article 26(1) of the Corporate Tax Law.



The relief applies when the Transferor makes the election.<sup>53</sup> It applies to all future transfers of assets and liabilities held on the capital account made by the Transferor within a Qualifying Group.<sup>54</sup> The election is irrevocable, except under exceptional circumstances, pursuant to approval by the FTA.<sup>55</sup>

If an election is made to apply this provision in the questions below, you will be guided to the relevant schedule in the Tax Return (see part [A](#) of Section [20](#)).

For further information, including determining whether you are a member of a Qualifying Group, see the [Corporate Tax Guide on Qualifying Group Relief](#).

<b>5.4.1</b>	Did the Taxable Person transfer any assets or liabilities to a member of the same Qualifying Group during the Tax Period?
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Answer 'Yes' or 'No' as applicable.

<b>5.4.2</b>	Would the Taxable Person like to make an election to apply the relief for transfers within a Qualifying Group?
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Answer 'Yes' or 'No' as applicable. This is pre-populated as 'Yes' if you have previously made the election, unless the FTA has approved an application by you to revoke the election previously made.

If you are a Tax Group, you can make the election and the election made by you will apply to all your members, including newly joined Subsidiaries. However, if you (i.e. the Tax Group) do not make the election for the relief, this must be populated as 'Yes' if a new Subsidiary has joined the Tax Group which has previously made the election for relief for transfers within a Qualifying Group.

Similarly, if you were a member of a Tax Group but have left the Tax Group or the Tax Group ceased to exist and the Tax Group had made an election for relief for transfers within a Qualifying Group, this must be populated as 'Yes'.

## 5.5. Business Restructuring Relief

This relief can be elected by a Taxable Person who is a Transferor transferring its Business, or an independent part of its Business, to another Taxable Person such that

<sup>53</sup> Article 3(1) of Ministerial Decision No. 132 of 2023.

<sup>54</sup> Article 3(4) of Ministerial Decision No. 132 of 2023.

<sup>55</sup> Article 3(3) of Ministerial Decision No. 132 of 2023.



no gain nor a loss arises for Corporate Tax purposes.<sup>56</sup> If you make an election for Business Restructuring Relief, you will be guided to the relevant schedule in the Tax Return (see part [B](#) of Section [20](#)).

For further information see the [Corporate Tax Guide on Business Restructuring Relief](#).

<b>5.5.1</b>	Did the Taxable Person transfer a Business or an independent part of a Business during the Tax Period under which Business Restructuring Relief may apply?
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Answer 'Yes' or 'No' as applicable depending on whether or not the conditions of Business Restructuring Relief are satisfied.

<b>5.5.2</b>	Would the Taxable Person like to make an election to apply Business Restructuring Relief?
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Answer 'Yes' or 'No' as applicable. This election will only apply to the Business restructuring transaction in respect of which the election is made.

## 5.6. Foreign Permanent Establishment

A Resident Person can elect to exclude the income and expenses of all its qualifying Foreign Permanent Establishments from Taxable Income.<sup>57</sup> If you make an election in relation to this provision, you will be guided to the relevant schedule in the Tax Return (see Section [14](#)).

For further information, see the [Corporate Tax Guide on Taxation of Foreign Source Income](#).

<b>5.6.1</b>	Does the Taxable Person have any Foreign Permanent Establishments?
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Answer 'Yes' or 'No' as applicable.

<b>5.6.2</b>	Would the Taxable Person like to make an election to exempt both income and expenditure of their Foreign Permanent Establishments?
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<sup>56</sup> Article 27(1) of the Corporate Tax Law read with Article 4(1) of Ministerial Decision No. 133 of 2023.

<sup>57</sup> Article 24(1), (2) and (6) of the Corporate Tax Law.



Answer 'Yes' or 'No' as applicable. If you respond 'Yes' to this question, then you will be guided to complete the relevant schedule in order to determine if you qualify for this exemption (see Section [14](#)).



## 6. Accounting Schedule

### 6.1. Overview

This schedule is part of the Tax Return and is for disclosure purposes only and does not result in any inputs into the computation of Taxable Income.

This schedule contains five parts:

- Income Statement
- Statement of other comprehensive income,
- Statement of financial position, and
- Audit.

In the first three parts, you are required to provide a breakdown of your Financial Statements prepared in accordance with IFRS, IFRS for SMEs (as applicable) or the Cash Basis of Accounting (as applicable).<sup>58</sup> Financial Statements should be standalone, i.e. unconsolidated, except in the case of a Tax Group.<sup>59</sup>

Notably, depending on the circumstances, not all fields mentioned in the Accounting Schedule may be relevant or applicable to you. In such circumstance, complete the fields which are relevant to you. Enter '0' in fields that are not relevant or applicable to you.

If you use the Cash Basis of Accounting, you only have to complete the 'Income Statement'.

If you are a partner in an Unincorporated Partnership, your distributive share of the gross income and expenditure of the Unincorporated Partnership should be included in the 'Income Statement' in accordance with the applicable Accounting Standards.<sup>60</sup>

If you are a Tax Group, you will complete the Accounting Schedule based on the consolidated Financial Statements of the Tax Group as a whole (excluding any entities which are not members of the Tax Group).<sup>61</sup>

Certain boxes are pre-populated. Where input is required, enter the amount in AED to the nearest dirham (i.e. AED 1).

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<sup>58</sup> Article 4 of the Ministerial Decision No. 114 of 2023.

<sup>59</sup> Article 42(11) of the Corporate Tax Law read with Article 3 of Ministerial Decision No. 114 of 2023.

<sup>60</sup> Article 54(3)(b) of the Corporate Tax Law.

<sup>61</sup> Article 42(11) of the Corporate Tax Law read with Article 3 of Ministerial Decision No. 114 of 2023.



Any amount quantified in foreign currency must be converted to AED at the applicable exchange rate set by the Central Bank of the UAE.<sup>62</sup> For further information on the foreign currency conversion under the Corporate Tax Law, refer to FTA Decision No. 13 of 2023.

For further information on the conditions and application of IFRS, IFRS for SMEs, Cash Basis of Accounting and preparation of Financial Statements, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#). For information on preparation of Financial Statements of Tax Groups, see the [Corporate Tax Guide on Tax Groups](#).

## 6.2. Audit

<b>6.2.1</b>	Have the Financial Statements been audited?
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'Audit' refers to an opinion issued by an independent external auditor. For entities incorporated in the UAE, (or operating in the UAE through a Permanent Establishment situated in the UAE), the audit must be performed by a UAE-registered auditor, pursuant to Federal Law No. 41 of 2023 on the Regulation of the Auditing Profession and its amendments, read together with Ministerial Resolution No. 403 of 2015 concerning the International Standards for the Auditing Profession, or any other applicable legislation.

Answer 'Yes' or 'No' as applicable.

Taxable Persons deriving Revenue exceeding AED 50 million during the relevant Tax Period and all Qualifying Free Zone Persons (irrespective of the level of Revenue) are required to prepare and maintain audited Financial Statements for the purposes of the Corporate Tax Law.<sup>63</sup> If you are a Taxable Person that falls in any of these categories, this field will be pre-populated as 'Yes'.

<b>6.2.2</b>	What was the audit opinion?
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If you answer 'Yes' to question **6.2.1**, this question will be visible.

Select the relevant answer from the dropdown menu. This relates to whether the audit opinion was qualified or unqualified.

<sup>62</sup> Article 43 of the Corporate Tax Law.

<sup>63</sup> Article 2 of Ministerial Decision No. 82 of 2023.



**6.2.3** What is the name of the auditor?

Enter the name of the auditor who has audited the Financial Statements.





## 7. Accounting adjustments and Exempt Income

This part of the Tax Return will contain all the adjustments required to be made by you to your Accounting Income in order to arrive at your Taxable Income, which can be a positive or negative amount. The question should thus be read in the context of Article 20 of the Corporate Tax Law along with the relevant Decisions and relate to whether an adjustment to Accounting Income is required, unless specifically stated otherwise.

Some of the figures will be prepopulated from the schedules and some will need to be input manually.

The figures in the tax computation must always be included as positive figures, with the exception of Accounting Income. Where a figure can be an addition or a deduction, two separate boxes will be provided and the figure must be input into the correct box.

### 7.1. Accounting Income

This part is applicable to all Taxable Persons

<b>7.1.1</b>	Accounting Income for the Tax Period
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Enter a net profit as a positive value or a net loss as a negative value.

If you are a juridical person that is a Resident Person, enter the accounting net profit or loss for the relevant Tax Period as per your Financial Statements.

If you are a juridical person that is a Non-Resident Person enter the accounting net profit or loss for the relevant Tax Period as per your Financial Statements relating to the Permanent Establishment or nexus in the UAE, as the case may be.

If you are a natural person, enter the accounting net profit or loss for the relevant Tax Period as per your Financial Statements relating to your Business or Business Activity conducted in the UAE.

If you are a Qualifying Free Zone Person your Accounting Income must be split between Qualifying Income and other income (subject to Corporate Tax at the rate of 9%). The Accounting Income figure attributable to Qualifying Income should include all revenue relating to Qualifying Income less expenditure incurred by you in deriving such Qualifying Income. The Accounting Income figure attributable to other income (subject to Corporate Tax at the rate of 9%), should be the amount of Revenue less the amount of expenditure derived by you which is subject to Corporate Tax at a rate of 9%. You will need to determine this split before you complete your Tax Return.



If you are a Tax Group, enter the Accounting Income after aggregating the financial results of all members of the Tax Group, and eliminating transactions between members of the Tax Group.<sup>64</sup>

## 7.2. Fields pertaining to the Equity Method of Accounting

<b>7.2.1</b>	Does the Taxable Person account for any investments under the Equity Method of Accounting?
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Under the Equity Method of Accounting an investor normally records (i) Dividends received as a reduction in the carrying value of the investment and (ii) its share of an investment's earnings in its income statement (irrespective of whether those earnings have been distributed). These amounts must be disregarded in the determination of Taxable Income<sup>65</sup> and thus require an adjustment as explained below.

Answer 'Yes' or 'No' as applicable.

For further information, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>7.2.2</b>	Share of profits relating to investments accounted for under the Equity Method of Accounting
<b>7.2.3</b>	Share of losses relating to investments accounted for under the Equity Method of Accounting

Enter the amount recorded in your income statement in your Financial Statements as share of profit/ loss of the investment. Where this amount includes a Dividend actually declared, the amount to be input here should exclude such Dividend. In other words, the adjustment to the Accounting Income by virtue of the Equity Method of Accounting should exclude Dividends actually declared.

By way of example, if the change in share of profit/loss of investment as recorded in the income statement of the Taxable Person is AED 100 million and this includes a Dividend declared of AED 30 million, then the amount inputted here should be AED 70 million. The impact to Accounting Income is that no adjustment should be made here in relation to Dividends actually declared. Any adjustment to Dividends actually declared should be made in the 'UAE Dividends' Schedule (see Section [13](#)) or the 'Participation Exemption' Schedule (see Section [18](#)) as applicable.

<sup>64</sup> Article 42(1) of the Corporate Tax Law.

<sup>65</sup> Article 2(2) of Ministerial Decision No. 134 of 2023.



Thus, if the Dividend is received by a juridical person that is a Resident Person, then such Dividend should be included in the 'UAE Dividends' Schedule as it is Exempt Income<sup>66</sup> (see Section [13](#)). If it is a Dividend received from a Participating Interest that is not a Resident Person, it is Exempt Income under Participation Exemption<sup>67</sup> and must be adjusted for in the 'Participation Exemption' Schedule (see Section [18](#)).

If the Dividend income is not an Exempt Income, then no further adjustment is required.

### **7.3. Fields pertaining to partners in an Unincorporated Partnership which is treated as a separate Taxable Person**

Where an application has been made to treat an Unincorporated Partnership as a separate Taxable Person and an approval has been obtained from the FTA, then the partnership is no longer treated as fiscally transparent and the Taxable Income of the Unincorporated Partnership must be determined separately from its partners.<sup>68</sup> In this regard, certain adjustments to the Accounting Income of the partners may be required.

<b>7.3.1</b>	Has the Taxable Person derived any accounting net profits or accounting net losses from Unincorporated Partnerships that are treated as separate Taxable Persons?
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This question will be visible only if you answered 'Yes' to question "*Is the Taxable Person a partner in one or more Unincorporated Partnerships*" in Taxable Person details (see Section [4](#)).

If you are a partner in an Unincorporated Partnership that is treated as a separate Taxable Person, your distributive share of the Accounting Income of the Unincorporated Partnership, which has been included in your Accounting Income, must be disregarded in the determination of your Taxable Income<sup>69</sup> and you must respond 'Yes' to this question.

Answer 'Yes' or 'No' as applicable.

For further information, see the [Corporate Tax Guide on Taxation of Partnerships](#).

<sup>66</sup> Article 22(1) of the Corporate Tax Law.

<sup>67</sup> Article 22(2) of the Corporate Tax Law.

<sup>68</sup> Article 16(8) of the Corporate Tax Law.

<sup>69</sup> Article 6(1) of Ministerial Decision No. 134 of 2023.



<b>7.3.2</b>	Accounting net profits derived from Unincorporated Partnerships that are treated as separate Taxable Persons
<b>7.3.3</b>	Accounting net losses derived from Unincorporated Partnerships that are treated as separate Taxable Persons

If you answer 'Yes' to the question **7.3.1**, you will be asked to complete these fields.

Enter the aggregate amount you derived from all Unincorporated Partnerships treated as separate Taxable Persons during the Tax Period.

<b>7.3.4</b>	Gains on the transfer, sale, or other disposal of an interest in an Unincorporated Partnership which meets the conditions of the Participation Exemption
<b>7.3.5</b>	Losses on the transfer, sale, or other disposal of an interest in an Unincorporated Partnership which meets the conditions of the Participation Exemption

Enter the respective gain or loss arising in respect of the transfer, sale, or other disposal of an ownership interest (or part thereof) in an Unincorporated Partnership treated as a separate Taxable Person, provided that the ownership interest meets all the conditions of the Participation Exemption.<sup>70</sup>

For further information, see the [Corporate Tax Guide on Taxation of Partnerships](#).

#### **7.4. Fields pertaining to the 'Income/Losses which will not subsequently be reported in the income statement' Schedule**

When calculating Taxable Income, Taxable Persons are required to adjust their Accounting Income to include any realised or unrealised gains and losses that are reported in the Financial Statements insofar as they would not be subsequently recognised in the statement of income.<sup>71</sup> This could be the case, for instance, if a gain or loss is recorded in the statement of other comprehensive income and it will not be subsequently included or reclassified to the income statement in future periods. The question below relate to these adjustments.

The question below related to this adjustment will not be visible if you answered 'Cash' to the question '*Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis*' in Taxable Person details (see Section [4](#)).

<sup>70</sup> Article 6(2) of Ministerial Decision No. 134 of 2023.

<sup>71</sup> Article 2(1) of Ministerial Decision No. 134 of 2023.



<b>7.4.1</b>	Has the Taxable Person recognised any realised or unrealised gains or losses in the Financial Statements that will not subsequently be recognised in the income statement?
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Answer 'Yes' or 'No' as applicable. If you respond 'Yes' to this question, you will be directed to the 'Income/Losses which will not subsequently be reported in the income statement' Schedule (see Section [22.1](#)).

<b>7.4.2</b>	Gains reported in the Financial Statements that would not subsequently be recognised in the income statement
<b>7.4.3</b>	Losses reported in the Financial Statements that would not subsequently be recognised in the income statement

These fields are pre-populated from the 'Income/Losses which will not subsequently be reported in the income statement' Schedule (see Section [22.1](#)).

If you have elected for realisation basis under Article 20(3) of the Corporate Tax Law, any unrealised gain or loss which is recognised in the Financial Statements but not in the income statement should not be included here as it is not already recognised in Accounting Income and accordingly, does not require an adjustment to the Accounting Income.

## 7.5. Realisation basis adjustments

This part is applicable to all Taxable Persons.

If you prepare your Financial Statements on an Accrual Basis of Accounting, you may elect to take into account gains and losses on a realisation basis.<sup>72</sup> The effect of this election is that gains and losses are only subject to Corporate Tax when a realisation event occurs, such as when an asset is disposed of, or a liability is settled.<sup>73</sup>

The questions below relate to adjustments for realisation basis. These fields will only be visible if you have made an election for realisation basis (see Section [5.1](#)).

For further information on the realisation basis, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<sup>72</sup> Article 20(3) of the Corporate Tax Law and Article 8(1) of Ministerial Decision No. 134 of 2023.

<sup>73</sup> Articles 2(3)(c) and 2(4)(c) of Ministerial Decision No. 134 of 2023.



<b>7.5.1</b>	Have there been any unrealised gains/losses recognised in Accounting Income in the current Tax Period?
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Answer 'Yes' or 'No' as applicable.

If you respond 'Yes', you will be directed to complete the 'Unrealised gains/losses' Schedule (see Section [22.2](#)).

<b>7.5.2</b>	Unrealised gains recognised in the current Tax Period
<b>7.5.3</b>	Unrealised losses recognised in the current Tax Period

These fields are pre-populated from the 'Unrealised gains/losses' Schedule (see Section [22.2](#)).

<b>7.5.4</b>	Have any unrealised gains or losses from previous Tax Periods been realised in the current Tax Period?
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Answer 'Yes' or 'No' as applicable.

This question and the next fields will not be visible in the Tax Return pertaining to your first Tax Period.

<b>7.5.5</b>	Unrealised gains from previous Tax Periods realised in the current Tax Period
<b>7.5.6</b>	Unrealised losses from previous Tax Periods realised in the current Tax Period

These fields are pre-populated from the 'Deferred gains or losses' Schedule (see Section [22.3](#)).

<b>7.5.7</b>	Adjustments to depreciation which decrease Taxable Income in respect of an asset which was subject to the realisation basis
<b>7.5.8</b>	Adjustments to depreciation which increase Taxable Income in respect of an asset which was subject to the realisation basis

Enter the amount of depreciation, amortisation or other change in the value of assets (other than Financial Assets) to the extent that it relates to a change in net book value



exceeding the original cost of that asset.<sup>74</sup> In case of Financial Assets, enter the amount of amortisation or change in the value of a Financial Asset.<sup>75</sup>

If there is a subsequent realisation of an asset in respect of which the depreciation was adjusted for as above, then such an adjusted amount should be reflected in the next field.

<b>7.5.9</b>	Other adjustments in respect of unrealised gains/losses which decrease Taxable Income
<b>7.5.10</b>	Other adjustments in respect of unrealised gains/losses which increase Taxable Income

This applies for any other adjustment, including any amount of depreciation that has been adjusted in respect of an asset in a previous period that has now been realised.<sup>76</sup>

This field can be marked as '0' if there is no further adjustment required in relation to the application of the realisation basis.

<b>7.5.11</b>	Description of the nature of the other adjustments in respect of unrealised gains or losses
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Describe the reason(s) for the other adjustments, if applicable.

## 7.6. Transitional rules adjustments

This part is applicable to all Taxable Persons

You can adjust your Taxable Income to exclude gains or losses related to periods preceding the first Tax Period if you owned Qualifying Financial Assets or Qualifying Financial Liabilities, Qualifying Immovable Property and/or Qualifying Intangible Assets at the start of your first Tax Period and have made the relevant elections (see Section [5.2](#)) (referred to as transitional rules).<sup>77</sup> The questions below relate to adjustments required under the transitional rules.

These questions may apply to you, even if you have not made the election, if you have received Qualifying Immovable Property, Qualifying Intangible Assets or Qualifying

<sup>74</sup> Article 2(3)(a) of Ministerial Decision No. 134 of 2023.

<sup>75</sup> Article 2(3)(b) of Ministerial Decision No. 134 of 2023.

<sup>76</sup> Article 2(3)(c) and 2(4)(c) of Ministerial Decision No. 134 of 2023.

<sup>77</sup> Articles 2, 3 and 4 of Ministerial Decision No. 120 of 2023.



Financial Assets or Qualifying Financial Liabilities from a member of your Qualifying Group or a member of a Tax Group which has previously made the election in relation to these assets.<sup>78</sup>

For further information on transitional rule adjustments, including the assets and liabilities which can be considered as qualified, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>7.6.1</b>	Has the Taxable Person held any Qualifying Immovable Property, Qualifying Intangible Assets or Qualifying Financial Assets or Qualifying Financial Liabilities during the Tax Period?
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This will be pre-populated as 'No' if you answered 'Cash' to question '*Has the Taxable Person's Financial Statements been prepared under the cash or accrual basis*' in Taxable Person details (see Section [4](#)). Also, the rest of the questions on transitional rules will not be asked to you.

If you follow the Accrual Basis of Accounting, answer 'Yes' or 'No' as applicable.

<b>7.6.2</b>	Has the Taxable Person disposed of any Qualifying Immovable Property during the Tax Period?
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Answer 'Yes' or 'No' as applicable.

<b>7.6.3</b>	Adjustments in respect of gains on elected Qualifying Immovable Property owned prior to the first Tax Period
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This is pre-populated from the 'Qualifying Immovable Properties' Schedule (see part [A](#) of Section [21](#)).

<b>7.6.4</b>	Has the Taxable Person disposed of any Qualifying Intangible Assets during the Tax Period?
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Answer 'Yes' or 'No' as applicable.

<b>7.6.5</b>	Adjustments in respect of gains on Qualifying Intangible Assets owned prior to the first Tax Period
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<sup>78</sup> Article 5 of Ministerial Decision No.120 of 2023.





This is pre-populated from the 'Qualifying Intangible Assets' Schedule (see part B of Section 21).

<b>7.6.6</b>	Has the Taxable Person disposed of any Qualifying Financial Assets or Qualifying Financial Liabilities which were owned prior to the first Tax Period?
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Answer 'Yes' or 'No' as applicable.

<b>7.6.7</b>	Adjustments in respect of gains/losses on Qualifying Financial Assets owned prior to the first Tax Period
<b>7.6.8</b>	Adjustments in respect of gains / losses on Qualifying Financial Liabilities owned prior to the first Tax Period

This is pre-populated from the 'Qualifying Financial Assets/Liabilities' Schedule (see part [C](#) of Section [21](#)).

## 7.7. Exempt Income

This part is applicable to all Taxable Persons

A Taxable Person's Accounting Income must be adjusted in respect of Exempt Income and related expenditure in determining the Taxable Income.<sup>79</sup>

<b>7.7.1</b>	Has the Taxable Person received any dividends or profit distributions from a UAE Resident Person?
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A Dividend received from a juridical person that is a Resident Person is always Exempt Income for Corporate Tax purposes with no further conditions.<sup>80</sup>

Answer 'Yes' or 'No' as applicable.

Answer 'No' if you are a natural person and all Dividends and profit distributions relate to your Personal Investment activities since Personal Investment income of a natural person is not subject to Corporate Tax.<sup>81</sup>

<sup>79</sup> Article 22 of the Corporate Tax Law.

<sup>80</sup> Article 22(1) of the Corporate Tax Law.

<sup>81</sup> Article 2(2) of Cabinet Decision No. 49 of 2023.



<b>7.7.2</b>	Dividends and profit distributions received from UAE Resident Persons
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This is pre-populated from the 'UAE Dividends' Schedule (see Section [13](#)).

<b>7.7.3</b>	Has the Taxable Person derived any income or losses from a Participating Interest?
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Answer 'Yes' or 'No' as applicable.

If you answer 'Yes' to question **7.7.3** you will be required to complete the 'Participation Exemption' Schedule (see Section [18](#)). As part of completing this Schedule, you must assess whether the Participation Exemption is available in relation to a particular ownership interest held by you.

*For further information, including the definition of a Participating Interest, see the [Corporate Tax Guide on Exempt Income: Dividends and Participation Exemption](#).*

If the conditions of the Participation Exemption are met, the following income and losses shall not be taken into account in determining Taxable Income:<sup>82</sup>

- Dividends and other profit distributions from a foreign Participation,
- capital gains/losses on a sale or transfer of a UAE or foreign Participation, and foreign exchange differences and impairments in respect of a UAE or foreign Participation.

<b>7.7.4</b>	Income / losses derived from Participating Interests
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This is pre-populated from the 'Participation Exemption' Schedule (see Section [18](#)).

<b>7.7.5</b>	Income which was previously exempted under the Participation Exemption which no longer meet the conditions
<b>7.7.6</b>	Losses which were previously exempted under the Participation Exemption which no longer meet the conditions

Enter the amount of any income or loss previously not taken into account in the determination of Taxable Income, by virtue of the Participation Exemption because you intended to hold the Participation for a period of at least 12 months, but where you did not in fact hold that Participation for at least 12 months.<sup>83</sup>

<sup>82</sup> Article 23(5) of the Corporate Tax Law.

<sup>83</sup> Article 23(10) of the Corporate Tax Law.



## 7.8. Foreign Permanent Establishment exemption

This part is applicable to natural persons and juridical persons who are Resident Persons, Unincorporated Partnerships treated as a Taxable Person, Tax Groups, and Qualifying Free Zone Persons.

A Resident Person can elect to exclude the income and expenses of all its Foreign Permanent Establishments (for example, overseas branches) from the calculation of its Taxable Income, subject to certain conditions.<sup>84</sup>

For further information, see the [Corporate Tax Guide on Taxation of Foreign Source Income](#).

<b>7.8.1</b>	Taxable Income/Tax Loss from eligible Foreign Permanent Establishments
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This is pre-populated from the 'Foreign Permanent Establishment' Schedule (see Section [14](#)). If you have made an election for the Foreign Permanent Establishment exemption (see Section [5.6](#)), net income or loss of eligible Foreign Permanent Establishments will be excluded in the determination of Taxable Income.

## 7.9. International aircraft/shipping income

This part is applicable to natural persons and juridical persons who are Non-Resident Persons.

Income derived by a Non-Resident Person from operating aircraft or ships in international transportation is exempt from Corporate Tax, subject to certain conditions.<sup>85</sup>

For further information regarding when such income is exempt, see the [Corporate Tax Guide on Non-Resident Persons](#) and the [Corporate Tax - General Guide](#).

<b>7.9.1</b>	Did the Taxable Person derive income from the operation of aircraft or ships in international transportation which is exempt from Corporate Tax?
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Answer 'Yes' or 'No' as applicable.

<b>7.9.2</b>	In which country is the Taxable Person resident?
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<sup>84</sup> Article 24 of the Corporate Tax Law.

<sup>85</sup> Article 25 of the Corporate Tax Law.



This is pre-populated based on information provided in Taxable Person details in Section [4](#).

<b>7.9.3</b>	Income derived in the UAE from operating ships or aircraft
<b>7.9.4</b>	Expenditure associated with operating ships or aircraft

Enter the amount or enter '0' if there is no such income/expenditure.



## 8. Relief

### 8.1. Transfers within a Qualifying Group

This part is applicable to a juridical person that is a Resident Person, or Non-Resident Person that has a Permanent Establishment in the UAE, (except a Government Entity, Government Controlled Entity, Extractive Business or Non-Extractive Natural Resource Business, regardless of whether they conduct a taxable Business). This part is also applicable to an Unincorporated Partnership that is a separate Taxable Person and a Tax Group.

The relief for transfers within a Qualifying Group allows certain assets or liabilities to be transferred between two Taxable Persons that are members of the same Qualifying Group without creating a gain or loss for Corporate Tax purposes. Where the relief applies, certain adjustments are to be made by the Transferor and Transferee while determining their respective Taxable Income.

Further, the relief can be clawed back in certain circumstances. Upon clawback, the Transferor and Transferee are required to make certain adjustments while determining their respective Taxable Income.

The questions below are in respect of adjustments for relief for transfers within a Qualifying Group and clawback of such relief.

For further information on this relief, see the [Corporate Tax Guide on Qualifying Group Relief](#).

<b>8.1.1</b>	Does the Taxable Person need to make any adjustments in the current Tax Period as a result of the application of the relief for transfers within a Qualifying Group?
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This question will only be visible if, in the 'Elections' part of the Tax Return, you have answered 'Yes' for:

- election for relief for transfers within a Qualifying Group, and
- transfer of capital assets and/or liabilities to another member of the same Qualifying Group in the current Tax Period.

Answer 'Yes' or 'No' as applicable. If you answer 'Yes', you will be directed to complete the Schedule on 'Transfers within the Qualifying Group' (see part [A](#) of Section [20](#)).



<b>8.1.2</b>	Does the Taxable Person need to make any adjustments in the current Tax Period due to the clawback of the relief for transfers within a Qualifying Group?
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- (a) there has been a subsequent transfer of assets or liabilities outside the Qualifying Group, or
- (b) the Transferor or Transferee cease to be a member of the same Qualifying Group.

Answer 'Yes' if you are a Transferor or Transferee in a transaction that was previously subject to the relief for transfers within a Qualifying Group and situation (a) or (b) occurred in the current Tax Period. Otherwise, answer 'No'. If you answer 'Yes', you will be directed to complete the Schedule on 'Transfers within a Qualifying Group' (see part [A](#) of Section [20](#)).

<b>8.1.3</b>	Has the Taxable Person received any assets or liabilities from a member of its Qualifying Group and the Transferor has elected for the relief for transfers within a Qualifying Group in the current Tax Period?
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This question applies to you if you are the Transferee in relation to the transaction to which the relief applies. Answer 'Yes' or 'No' as applicable. If you answer 'Yes', you will be directed to complete the Schedule on 'Transfers within a Qualifying Group' (see part [A](#) of Section [20](#)).

<b>8.1.4</b>	Gains/losses subject to the relief for transfers within a Qualifying Group in the current Tax Period
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This field applies to you if you are a Transferor who has made a transfer within a Qualifying Group in the current Tax Period and have elected for the relief. The amount is pre-populated from the 'Transfers within a Qualifying Group' Schedule (see part [A](#) of Section [20](#)).

<b>8.1.5</b>	Gains / losses resulting from the clawback of the relief for transfers within a Qualifying Group
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Upon clawback of the relief within the Qualifying Group, any gain or loss on transfer of an asset or liability which was not previously taken into account shall be taken into account for the purposes of calculating the Taxable Income of the Transferor (or the



Transferee, where the Transferor has ceased to be a Taxable Person)<sup>86</sup> for the Tax Period in which the circumstances of clawback occur (see question **8.1.2**).<sup>87</sup>

This adjustment applies to you if:

- you are the Transferor in the transaction for which the relief is clawed back, or
- you are the Transferee in the transaction for which the relief is clawed back and the Transferor ceased to be a Taxable Person.

This amount is pre-populated from the 'Transfers within Qualifying Group' Schedule (see part [A](#) of Section [20](#)).

<b>8.1.6</b>	Excluded unrealised gains in respect of an asset or liability which was subject to the relief
<b>8.1.7</b>	Excluded unrealised losses in respect of an asset or liability which was subject to the relief

In cases other than realisation, the Transferee is required to adjust its Taxable Income to exclude depreciation, amortisation or other change in the value of the transferred assets and liabilities to the extent that it relates to the gain or loss that arose in the hands of the Transferor and was not recognised for Corporate Tax purposes as a result of relief for transfers within a Qualifying Group.<sup>88</sup>

If you are a Transferee and you have made a revaluation of the transferred asset or liability (revaluation other than in case of realisation) and not elected for realisation basis, enter here the amount of unrealised gain or loss (for example, revaluations and impairments) to the extent it relates to a gain or loss that was not taxed in the hands of the Transferor as a result of the relief for transfers within a Qualifying Group. If you have elected for realisation basis, the unrealised gain or loss should be included in the 'Unrealised gains/losses' Schedule.

Do not provide the adjustment for depreciation here. The adjustment in respect of depreciation is to be entered in fields **8.1.10/8.1.11** below.

<b>8.1.8</b>	Gains which were not previously recognised for Corporate Tax purposes due to the relief for transfers within a Qualifying Group which have now been realised
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<sup>86</sup> Article 5(2) of Ministerial Decision No. 132 of 2023.

<sup>87</sup> Article 5(1) of Ministerial Decision No. 132 of 2023.

<sup>88</sup> Article 4(1) of Ministerial Decision No. 134 of 2023.



<b>8.1.9</b>	Losses which were not previously recognised for Corporate Tax purposes due to the relief for transfers within a Qualifying Group which have now been realised
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Upon realisation of an asset or liability which was subject to relief for transfers within a Qualifying Group and such realisation did not trigger clawback of the relief, the Transferee is required to include the following amounts while determining its Taxable Income:<sup>89</sup>

- (a) amount excluded earlier in respect of depreciation, amortisation or other change in the value of an asset or a liability prior to realisation, and
- (b) any amount of gain or loss which was not recognised by the Transferor for Corporate Tax purposes.

If you are a Transferee which is realising an asset or liability which was subject to relief for transfers within a Qualifying Group and such realisation did not trigger clawback of the relief, enter the amount of such gains/losses realised (i.e. the adjustment in respect of (b) above). Enter '0' if not applicable.

Do not provide the adjustment for depreciation here. The adjustment in respect of depreciation is to be entered in fields **8.1.10/8.1.11** below.

<b>8.1.10</b>	Adjustments to depreciation which decrease Taxable Income in respect of the relief for transfer within a Qualifying Group
<b>8.1.11</b>	Adjustments to depreciation which increase Taxable Income in respect of the relief for transfer within a Qualifying Group

These fields apply to you if you are the Transferee in relation to the transaction to which the relief for transfers within a Qualifying Group applies.

Enter the amount of adjustments to depreciation referred to under the fields **8.1.6/8.1.7** and **8.1.8/8.1.9**.

Any adjustments to depreciation which must be made by the Transferee on clawback of the relief, should be reflected in the next field.

<b>8.1.12</b>	Other adjustments resulting from the clawback of Transfers within a Qualifying Group which increase Taxable Income
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<sup>89</sup> Article 4(2) of Ministerial Decision No. 134 of 2023.





**8.1.13**

Other adjustments resulting from the clawback of Transfers within a Qualifying Group which decrease Taxable Income

Where the relief for transfer within a Qualifying Group is clawed back, the Transferee is required to make the necessary adjustments to the Taxable Income during the relevant Tax Period in clawback applies to reverse any depreciation, amortisation or other change in the value of an asset or liability that has been previously adjusted by the Transferee.<sup>90</sup>

If you are a Transferee who received assets or liabilities which were subject to the relief but the relief was clawed back, enter the amount of adjustment here.

**8.1.14**

Description of the nature of the other adjustments

Enter a description of the adjustments.

## 8.2. Business Restructuring Relief

This part is applicable to natural persons and a juridical person that is either a Resident Person or Non-Resident Person that has a Permanent Establishment in the UAE, (except a Government Entity, Government Controlled Entity, Extractive Business or Non-Extractive Natural Resource Business, regardless of whether they conduct a taxable Business). This part is also applicable to an Unincorporated Partnership treated as a Taxable Person, and a Tax Group.

Where certain conditions are met, Business Restructuring Relief allows a transfer of an entire Business or an independent part of a Business without creating a gain or loss for Corporate Tax purposes. Where the relief applies, certain adjustments are to be made by the Transferor and Transferee while determining their respective Taxable Income.

Further, the relief can be clawed back in certain circumstances. Upon clawback, the Transferor and Transferee are required to make certain adjustments while determining their respective Taxable Income.

The questions below are in respect of adjustments for Business Restructuring Relief and clawback of such relief.

*For further information on this relief, see the [Corporate Tax Guide on Business Restructuring Relief](#).*

<sup>90</sup> Article 5(5) of Ministerial Decision No. 132 of 2023.



<b>8.2.1</b>	Does the Taxable Person need to make any adjustments in the current Tax Period as a result of the application of Business Restructuring Relief?
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This question will only be visible if, in the 'Elections' part, you have made an election to apply Business Restructuring Relief (see Section [5.5](#)).

Answer 'Yes' or 'No' as applicable. If you answer 'Yes', you will be directed to complete the Schedule on 'Business Restructuring Relief' (see part [B](#) of Section [20](#)).

<b>8.2.2</b>	Does the Taxable Person need to make any adjustments in the current Tax Period due to the clawback of Business Restructuring Relief?
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The Business Restructuring Relief is clawed back if within 2 years from the date of initial transfer, any of the following occurs:<sup>91</sup>

- a) the shares or other ownership interests in the Taxable Person that is the Transferor or the Transferee are sold, transferred or otherwise disposed of, in whole or part, to a Person that is not a member of the Qualifying Group to which the relevant Taxable Person belong, or
- b) there is a subsequent transfer or disposal of the transferred Business or the independent part of the Businesses.

Answer 'Yes' if you are a Transferor or Transferee in a transaction that was previously subject to the Business Restructuring Relief and the situation referred to in (a) or (b) occurred in the current Tax Period. Otherwise, answer 'No'. If you answer 'Yes', you will be directed to complete the Schedule on 'Business Restructuring Relief' (see part [B](#) of Section [20](#)).

<b>8.2.3</b>	Has the Taxable Person received a Business or an independent part of a Business during the Tax Period and the Transferor has elected for Business Restructuring Relief?
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This question applies to you if you are the Transferee in relation to the transaction to which the Business Restructuring Relief applies. Answer 'Yes' or 'No' as applicable. If you answer 'Yes', you will be directed to complete the Schedule on 'Business Restructuring Relief' (see part [B](#) of Section [20](#)).

<b>8.2.4</b>	Gains/losses subject to Business Restructuring Relief in the current Tax Period
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<sup>91</sup> Article 27(6) of the Corporate Tax Law.



This field applies to you if you are a Transferor who has transferred a Business or an independent part of a Business in the current Tax Period and have elected for the relief. This is pre-populated from the 'Business Restructuring Relief' Schedule (see part [B](#) of Section [20](#)).

<b>8.2.5</b>	Gains/losses resulting from the clawback of Business Restructuring Relief
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Upon clawback of the Business Restructuring Relief, any gain or loss on transfer of Business or an independent part of Business which was not previously taken into account shall be taken into account for the purposes of calculating the Taxable Income of the Transferor (or the Transferee, where the Transferor has ceased to be a Taxable Person or the Transferor is a natural person)<sup>92</sup> for the Tax Period in which the circumstances of clawback occur (see question [8.2.2](#)).<sup>93</sup>

This adjustment applies to you if:

- you are the Transferor in the business restructuring transaction for which the relief is clawed back, or
- you are the Transferee in the business restructuring transaction for which the relief is clawed back and the Transferor ceased to be a Taxable Person or Transferor is a natural person.

This is pre-populated from the 'Business Restructuring Relief' Schedule (see part [B](#) of Section [20](#)).

<b>8.2.6</b>	Excluded unrealised gains in respect of assets or liabilities which were subject to the relief
<b>8.2.7</b>	Excluded unrealised losses in respect of assets or liabilities which were subject to the relief

These fields apply to you if you are the Transferee in a business restructuring transaction to which the Business Restructuring Relief was applied.

In cases other than realisation, the Transferee is required to adjust its Taxable Income to exclude depreciation, amortisation or other change in the value of the assets and liabilities received under the relief to the extent that it relates to the gain or loss that arose in the hands of the Transferor and was not recognised for Corporate Tax purposes as a result of Business Restructuring Relief.<sup>94</sup>

<sup>92</sup> Article 8(2) of Ministerial Decision No. 133 of 2023.

<sup>93</sup> Article 8(1) of Ministerial Decision No. 133 of 2023.

<sup>94</sup> Article 5(1) of Ministerial Decision No. 134 of 2023.



If you are a Transferee and you have made a revaluation of an asset or liability which was received under a transaction subject to the Business Restructuring Relief (revaluation other than in case of realisation) and you have not elected for realisation basis, enter here the amount of unrealised gain or loss (for example, revaluations and impairments) to the extent it relates to a gain or loss that was not taxed in the hands of the Transferor as result of the Business Restructuring Relief. If you have elected for realisation basis, the unrealised gain or loss should be included in the 'Unrealised gains/losses' Schedule.

Do not provide the adjustment for depreciation here. The adjustment in respect of depreciation is to be entered in fields **8.2.10/8.2.11** below.

Also, do not include any clawback of Tax Losses. Instead, this should be adjusted for in the 'Tax Losses' Schedule.

<b>8.2.8</b>	Gains which were not previously recognised for Corporate Tax purposes due to the application of Business Restructuring Relief which have now been realised
<b>8.2.9</b>	Losses which were not previously recognised for Corporate Tax purposes due to the application of Business Restructuring Relief which have now been realised

These fields apply to you if you are the Transferee in a business restructuring transaction to which the Business Restructuring Relief was applied.

Upon realisation of an asset or liability which previously benefited from Business Restructuring Relief and where such realisation did not trigger clawback of the relief, the Transferee is required to include the following amounts while determining its Taxable Income:<sup>95</sup>

- (a) amount excluded earlier in respect of depreciation, amortisation or other change in the value of an asset or a liability prior to realisation, and
- (b) any amounts of gain or loss which was not recognised by the Transferor for Corporate Tax.

If you are a Transferee who has realised an asset or liability which was subject to Business Restructuring Relief and such realisation did not trigger clawback of the relief, enter the amount of such gains/losses which have now been realised (i.e. the adjustment in respect of (b) above). Enter '0' if not applicable.

<sup>95</sup> Article 5(2) of Ministerial Decision No. 134 of 2023.



Do not provide the adjustment for depreciation here. The adjustment in respect of depreciation is to be entered in fields **8.2.10/8.2.11** below.

<b>8.2.10</b>	Adjustments to depreciation which decrease Taxable Income due to the application of Business Restructuring Relief
<b>8.2.11</b>	Adjustments to depreciation which increase Taxable Income due to the application of Business Restructuring Relief

These fields apply to you if you are the Transferee in a business restructuring transaction to which the Business Restructuring Relief was applied.

Enter the amount of adjustments to depreciation referred to in fields **8.2.6/8.2.7** and **8.2.8/8.2.9**.

Any adjustments to depreciation which must be made by the Transferee on clawback of the relief, should be reflected in the next field.

<b>8.2.12</b>	Other adjustments resulting from the clawback of Business Restructuring Relief which increase Taxable Income
<b>8.2.13</b>	Other adjustments resulting from the clawback of Business Restructuring Relief which decrease Taxable Income

Where the Business Restructuring Relief is clawed back, the Transferee is required to make the necessary adjustments to the Taxable Income during the relevant Tax Period in which the clawback applies to reverse any depreciation, amortisation or other change in the value of an asset or liability that has been previously adjusted by the Transferee.<sup>96</sup>

If you are a Transferee in relation to the business restructuring transaction for which the relief is clawed back, enter the amount in respect of such adjustment

<b>8.2.14</b>	Description of the nature of the other adjustments
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Enter a description of the adjustments, if applicable.

<sup>96</sup> Article 8(4) of Ministerial Decision No. 133 of 2023.



## 9. Other adjustments

### 9.1. Adjustments for non-deductible expenditure

This part is applicable to all Taxable Persons.

For further information, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>9.1.1</b>	Non-deductible entertainment expenditure
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Only 50% of expenses incurred in the Tax Period for the purpose of entertaining customers, shareholders, suppliers or other business partners (entertainment expenditure) is deductible by a Taxable Person from its Accounting Income.<sup>97</sup> Thus enter 50% of your entertainment expenditure here.

The amount adjusted here may not be less than 50% of the amount of entertainment expenditure reported in the 'Accounting' Schedule (see Section [6](#)). However, it can be more than 50% of the amount so disclosed.

For more information on the meaning of entertainment expenditure see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>9.1.2</b>	Non-deductible pension contributions
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Enter the amount of contributions made to a private pension fund in respect of your employees in the Tax Period to the extent those contributions:<sup>98</sup>

- were not paid in the Tax Period, and/or
- exceeded 15% of an employee's total remuneration for the relevant Tax Period.

For further information, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>9.1.3</b>	Charitable donations made to entities that are not Qualifying Public Benefit Entities
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<sup>97</sup> Article 32 of the Corporate Tax Law.

<sup>98</sup> Article 5 of Ministerial Decision No. 115 of 2023.



Enter the amount of charitable donations, grants or gifts made during the Tax Period to any recipient that is not a Qualifying Public Benefit Entity.<sup>99</sup>

The amount cannot exceed the amount of 'donations' reported in the 'Accounting' Schedule (see Section [6](#)).

<b>9.1.4</b>	Expenditure incurred in deriving Exempt Income other than interest expenditure
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Enter the amount of expenses (other than Interest expense) incurred during the Tax Period to generate Exempt Income, for example, expenditure incurred to derive income in the form of Dividends from a juridical person that is a Resident Person.<sup>100</sup>

<b>9.1.5</b>	Dividends, profit distributions or benefits of a similar nature paid to an owner of the Taxable Person
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Enter the amount paid as Dividends, profit distributions or benefits of a similar nature to your owners during the Tax Period.<sup>101</sup> This would be relevant, for example, where a Taxable Person has expensed out Dividends, profit distributions or benefits of a similar nature in its Financial Statements.

<b>9.1.6</b>	Amounts withdrawn from the Business by a natural person
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This field will be required only for a natural person that is a Taxable Person.

This adjustment is in respect of amounts withdrawn by a natural person from their Business (i.e. a Business operated as a sole establishment which does not have a separate legal personality from the natural person).<sup>102</sup> For example, if a natural person withdraws a portion of the profits of the Business for their personal account.

Enter the amount withdrawn during the Tax Period.

<b>9.1.7</b>	Expenses not wholly and exclusively incurred for the purposes of the Business
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<sup>99</sup> Article 33(1) of the Corporate Tax Law.

<sup>100</sup> Article 28(2)(b) of the Corporate Tax Law.

<sup>101</sup> Article 33(4) of Corporate Tax Law.

<sup>102</sup> Article 33(5) of Corporate Tax Law.



Enter the total amount of expenses not incurred solely for Business purposes during the Tax Period.<sup>103</sup> If an expenditure is incurred for more than one purpose, enter the portion of the expenditure that cannot be deducted, i.e. the portion of the expenditure which was not incurred wholly and exclusively for Business purposes.<sup>104</sup>

For further information, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>9.1.8</b>	Other non-deductible expenditure
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Enter the total amount of other non-deductible expenses incurred during the Tax Period. This should include, but not be limited to:

- fines and penalties levied by a statutory body or government,<sup>105</sup>
- bribes or other illicit payments,<sup>106</sup>
- Corporate Tax imposed on you,<sup>107</sup>
- Input Value Added Tax incurred by you that is recoverable,<sup>108</sup> and
- tax on income imposed on you outside the UAE.<sup>109</sup>

For further information, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>9.1.9</b>	Description of the nature of the other non-deductible expenditure
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Provide a description and/or the category(ies) of non-deductibility, if applicable.

## 9.2. Adjustments for Interest expenditure

The deductibility of Interest may be limited, either in terms of the General Interest Deduction Limitation Rule or the Specific Interest Deduction Limitation Rule, which may require adjustments to Taxable Income.

The General Interest Deduction Limitation Rule applies to all Taxable Persons, other than the following Persons:<sup>110</sup>

<sup>103</sup> Article 28(2)(a) of the Corporate Tax Law.

<sup>104</sup> Article 28(3) of the Corporate Tax Law.

<sup>105</sup> Article 33(2) of the Corporate Tax Law.

<sup>106</sup> Article 33(3) of the Corporate Tax Law.

<sup>107</sup> Article 33(6) of the Corporate Tax Law.

<sup>108</sup> Article 33(7) of the Corporate Tax Law.

<sup>109</sup> Article 33(8) of the Corporate Tax Law.

<sup>110</sup> Article 30(6) of the Corporate Tax Law.





- A Bank.
- An Insurance Provider.
- A natural person undertaking a Business or Business Activity in the UAE.

Hence, the questions below in context of the General Interest Deduction Limitation Rule will not be visible to you if you are a natural person or if you have answered ‘Yes’ to question “Is the Taxable Person a Bank or Insurance Provider?” (see question **5.1.2**), except in case of Tax Group. If you are a Tax Group and all members of the Tax Group are not Banks or Insurance Providers, the questions on General Interest Deduction Limitation Rule are applicable and need to be answered.

Under the General Interest Deduction Limitation Rule, a Taxable Person’s Net Interest Expenditure shall be deductible up to the higher of AED 12 million or 30% of the Taxable Person’s accounting earnings before the deduction of interest, tax, depreciation and amortisation (“EBITDA”) for the relevant Tax Period, as set out in Ministerial Decision No. 126 of 2023.<sup>111</sup>

The amount of Net Interest Expenditure disallowed due to the 30% limit under the General Interest Deduction Limitation Rule may be carried forward and deducted in the subsequent 10 Tax Periods in the order in which the amount was incurred.<sup>112</sup>

The General Interest Deduction Limitation Rule does not apply in a Tax Period where the cumulative Net Interest Expenditure of the Taxable Person (Net Interest Expenditure in the current Tax Period together with Net Interest Expenditure carried forward) does not exceed AED 12 million.<sup>113</sup>

The questions below are in respect of the adjustments pertaining to the General Interest Deduction Limitation Rule.

For further information, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>9.2.1</b>	Has the Taxable Person incurred Net Interest Expenditure in the current Tax Period which together with any Net Interest Expenditure carried forward exceeds AED 12 million?
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Answer ‘Yes’ or ‘No’ as applicable. If you answer ‘Yes’, you will be directed to complete the Schedule on ‘Interest capping’ (see Section [19](#)).

<sup>111</sup> Article 30(1) of the Corporate Tax Law.

<sup>112</sup> Article 30(4) of the Corporate Tax Law.

<sup>113</sup> Article 30(3) of the Corporate Tax Law read with Article 8(1) of Ministerial Decision No. 126 of 2023.



If you answer 'No', the General Interest Deduction Limitation Rule does not apply for this Tax Period.

<b>9.2.2</b>	Does the Taxable Person wish to deduct any brought forward Net Interest Expenditure in the current Tax Period?
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Answer 'Yes' or 'No' as applicable. If you answer 'Yes', you will be directed to complete the Schedule on 'Interest capping' (see Section [19](#)).

<b>9.2.3</b>	Disallowed Net Interest Expenditure in the current Tax Period
<b>9.2.4</b>	Brought forward Net Interest Expenditure deducted in the current Tax Period

These fields are pre-populated from the 'Interest capping' Schedule (see Section [19](#)).

<b>9.2.5</b>	Pre-grouping Net Interest Expenditure brought forward utilised in the current Tax Period
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This field is relevant only for Tax Groups. When a Subsidiary joins a Tax Group, the unutilised Net Interest Expenditure of that Subsidiary will become the pre-Grouping Net Interest Expenditure for the Tax Group and can only be utilised against the Taxable Income of the Tax Group that is attributable to that Subsidiary.<sup>114</sup>

This field is pre-populated from the 'Interest capping' Schedule (see Section [19](#)).

<b>9.2.6</b>	Amounts which are non-deductible as a result of the Specific Interest Deduction Limitation Rule
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This field is applicable to all Taxable Persons. Enter the amount for the Tax Period, if any.

Under the Specific Interest Deduction Limitation Rule, Interest expenditure incurred on a loan obtained directly or indirectly from a Related Party in relation to the following transactions, is not deductible and must be added back in the determination of Taxable Income:<sup>115</sup>

- a Dividend or profit distribution to a Related Party,
- a redemption, repurchase, reduction or return of share capital to a Related Party,

<sup>114</sup> Article 12(1) of Ministerial Decision No. 126 of 2023.

<sup>115</sup> Article 31(1) of the Corporate Tax Law.



- a capital contribution to a Related Party, and
- the acquisition of an ownership interest in a Person who is or becomes a Related Party following the acquisition.

The above restriction on deductibility will not apply where the Taxable Person can demonstrate that the main purpose of obtaining the loan and carrying out the relevant transaction is not to gain a Corporate Tax advantage.<sup>116</sup>

To determine who is a 'Related Party', see the [Corporate Tax Guide on Transfer Pricing](#).

### 9.3. Transactions with Related Parties and Connected Persons

This part is applicable to all Taxable Persons.

All transactions between Related Parties must be at arm's length.<sup>117</sup> If a transaction is not recorded at arm's length in the Financial Statements, a transfer pricing adjustment may be required to comply with the arm's length standard.

A payment or benefit provided by a Taxable Person to its Connected Person shall only be deductible to the extent the payment or benefit corresponds with the Market Value of the service or benefit received by the Taxable Person from the Connected person.<sup>118</sup>

The questions below are in respect of adjustments for transactions with Related Party and Connected Persons.

For further information, including the definition of Related Party and Connected Person, see the [Corporate Tax Guide on Transfer Pricing](#).

<b>9.3.1</b>	Were there any transactions with Related Parties in the current Tax Period?
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Answer 'Yes' or 'No' as applicable.

To determine who is a 'Related Party', see the [Corporate Tax Guide on Transfer Pricing](#).

<sup>116</sup> Article 31(2) of the Corporate Tax Law.

<sup>117</sup> Article 34(1) of the Corporate Tax Law.

<sup>118</sup> Article 36(1) of the Corporate Tax Law.



<b>9.3.2</b>	Did the aggregate value of all transactions with Related Parties exceed AED 40 million?
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Answer 'Yes' if the aggregate value of all transactions with all Related Parties recorded in the Financial Statements or at Market Value exceeds AED 40 million. If you respond 'Yes' to this question, you will be directed to complete the 'Related Party transactions' Schedule (see Section [16.1](#)).

<b>9.3.3</b>	Additions as a result of adjustments to transactions which were not at arm's length
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Enter the aggregate value of transfer pricing adjustments that increase the Taxable Income (i.e. upward adjustments). This should not be netted off against transfer pricing adjustments that decrease the Taxable Income (i.e. downward adjustments).

If you are required to complete the 'Related Party transactions' Schedule, this field still needs to be completed manually. Since not all transactions need to be reported in the Schedule, the value here should be equal or more than the adjustment reported in the Schedule (see Section [16.1](#)).

<b>9.3.4</b>	Deductions as a result of adjustments to transactions which were not at arm's length
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Any transfer pricing adjustment that decreases the Taxable Income (i.e. downward adjustment) will be allowed only upon a successful application to the FTA. Hence, enter the aggregate value of such downward adjustments which have been approved by the FTA.

If you are required to complete the 'Related Party transactions' Schedule, this field still needs to be completed manually. Since not all transactions need to be reported in the Schedule, the value here should be equal or more than the adjustment reported in the Schedule.

<b>9.3.5</b>	Were there any gains/losses realised in the current Tax Period in relation to assets/liabilities previously received from a Related Party at a non-arm's length price?
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Answer 'Yes' if you have any gain or loss upon the subsequent realisation of an asset or liability which you received from your Related Party and:<sup>119</sup>

- where the amount of consideration paid exceeded the Market Value, or
- where the amount of consideration paid was lower than the Market Value, and the transferor had included the difference between the Market Value and the consideration in its Taxable Income.

Realisation of an asset or liability includes sale, disposal, transfer (other than transfer within Qualifying Group or Business Restructuring Relief), settlement or complete worthlessness of an asset or forgiveness of a liability.<sup>120</sup>

<b>9.3.6</b>	Gains in relation to assets or liabilities previously received from Related Parties at a non-arm's length price
<b>9.3.7</b>	Losses in relation to assets or liabilities previously received from Related Parties at a non-arm's length price

If you answer 'Yes' to question **9.3.5**, enter the amount of the gain or loss upon realisation of the asset or liability as determined in terms of Article 3 of Ministerial Decision No. 134 of 2023.

For further information on adjustments required under Article 3 of Ministerial Decision No. 134 of 2023, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>9.3.8</b>	Were there any transactions with Connected Persons in the current Tax Period?
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Answer 'Yes' or 'No' as applicable.

To determine who is a 'Connected Person', see the [Corporate Tax Guide on Transfer Pricing](#).

<b>9.3.9</b>	Did the aggregate value of transactions with at least one Connected Person exceed AED 500,000?
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Answer 'Yes' if the aggregate value of transactions with Connected Persons (including their Related Parties) exceeds AED 500,000.

<sup>119</sup> Article 3(1) of Ministerial Decision No. 134 of 2023.

<sup>120</sup> Article 9(2) of Ministerial Decision No. 134 of 2023.



If you respond 'Yes' to this question, you will be directed to complete the 'Connected Persons' Schedule (see Section [16.2](#)).

<b>9.3.10</b>	Adjustments as a result of payments or benefits provided to Connected Persons which were not at Market Value
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Enter the aggregate value of adjustments in respect of payments or benefits provided to Connected Persons that are not at Market Value.

Even if you are required to complete the 'Connected Persons' Schedule, this field still needs to be completed manually. Since not all transactions need to be reported in the Schedule, the value here should be equal or more than the adjustment reported in the Schedule.

#### **9.4. Adjustments for income and expenditure derived from a Qualifying Investment Fund**

This part is applicable to all Taxable Persons

A Qualifying Investment Fund is an Exempt Person.<sup>121</sup> If an investor in a Qualifying Investment Fund is a Taxable Person, they are required to include in their income their proportional share of the amount reflected as net income available for distribution in the Financial Statements of the Qualifying Investment Fund.<sup>122</sup> For these purposes, net income available for distribution of the Qualifying Investment Fund is allocated between Exempt Income, Interest income, income from Immovable Property in the UAE and other income.

The Qualifying Investment Fund will provide the relevant information to the Taxable Person to enable it to determine its Taxable Income.

For further information on allocation of net income available for distribution of the Qualifying Investment Fund, including the definition of a Qualifying Investment Fund, see the [Corporate Tax Guide on Investment Funds and Investment Managers](#).

<b>9.4.1</b>	Has the Taxable Person been an investor in a Qualifying Investment Fund in the current Tax Period or any previous Tax Periods?
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Answer 'Yes' or 'No' as applicable.

<sup>121</sup> Article 4(1)(f) of the Corporate Tax Law.

<sup>122</sup> Article 4 of Cabinet Decision No. 81 of 2023.



9.4.2	Taxable Person's share of net Interest income attributed by the Qualifying Investment Fund(s) during the Tax Period
9.4.3	Taxable Person's share of net rental income attributed by the Qualifying Investment Fund(s) during the Tax Period
9.4.4	Taxable Person's share of net Exempt Income attributed by the Qualifying Investment Fund(s) during the Tax Period
9.4.5	Taxable Person's share of other income attributed by the Qualifying Investment Fund(s) during the Tax Period

Enter the amounts where appropriate. This information will be provided to you by the Qualifying Investment Fund(s) in which you are an investor.

The above amounts will be added to Accounting Income. Thus, the Exempt Income reported here should also be added in the respective Exempt Income fields. For example:

- where the income attributed by the Qualifying Investment Fund includes Dividends from a juridical person that is a Resident Person, such Dividends should be reported in the 'UAE Dividends' Schedule (see Section [13](#)).
- Similarly, if income attributed by the Qualifying Investment Fund includes income which is exempt under Participation Exemption, this income should be reported in the 'Participation Exemption' Schedule (see Section [18](#)).
- Further, if the General Interest Deduction Limitation Rule applies to you, the net Interest income reported here should also be included in the determination of Net Interest Expenditure for purposes of the 'Interest capping' Schedule (see Section [19](#)).

9.4.6	Dividends or other distributions declared by the Taxable Person from Qualifying Investment Fund(s) in the current Tax Period
-------	------------------------------------------------------------------------------------------------------------------------------

Any distributions made by a Qualifying Investment Fund will be excluded/reduced from your Taxable Income in this Tax Period, to the extent that net income available for distribution was already included in your Taxable Income/ Exempt Income either in the current Tax Period or a previous Tax Period.

Enter the amount, if any.

## 9.5. Other adjustments

This part is applicable to all Taxable Persons



<b>9.5.1</b>	Has the Taxable Person made an error in a prior Tax Period where the tax impact is AED 10,000 or less?
--------------	--------------------------------------------------------------------------------------------------------

If a Taxable Person becomes aware that a Tax Return submitted to the FTA or a Tax Assessment issued to the Taxable Person by the FTA is incorrect, resulting in a calculation of the Corporate Tax Payable being less than it should have been by AED 10,000 or less, the Taxable Person shall correct the error in the Tax Return that has not become due for submission for a previous Tax Period or in the Tax Return for the Tax Period in which the error has been discovered, whichever is earlier.<sup>123</sup>

Any other error in respect of a prior Tax Period should not be adjusted for as part of the Tax Return and must be amended by way of a Voluntary Disclosure as contemplated in Article 10 of the Federal Decree-Law No 28 of 2022 read together with Article 10 of Cabinet Decision No. 74 of 2023.

Answer 'Yes' if you want to report an error in respect of a prior Tax Period which has an impact of Corporate Tax Payable of AED 10,000 or less. If there are more than one errors in respect of a prior Tax Period, the aggregate tax impact of the errors must be AED 10,000 or less.

This field will not be visible in the Tax Return pertaining to your first Tax Period.

<b>9.5.2</b>	Tax Period(s) in respect of which the error has been reported
--------------	---------------------------------------------------------------

You will see a list of Tax Periods for which you have previously submitted Tax Returns. Select the relevant prior Tax Period from the drop-down list. It is possible to select more than one, if relevant.

<b>9.5.3</b>	Adjustment(s) in respect of errors made in prior Tax Periods
--------------	--------------------------------------------------------------

Enter the amount for each Tax Period separately. Enter the amount by which the Taxable Income is increased.

<b>9.5.4</b>	Description of the nature of the adjustments
--------------	----------------------------------------------

Enter a description, if applicable.

<b>9.5.5</b>	Any other adjustments not captured above?
--------------	-------------------------------------------

<sup>123</sup> Article 10(1)(b)(1) of Cabinet Decision No. 74 of 2023.





Answer 'Yes' if there are any other adjustments to Taxable Income for the Tax Period which have not been considered in answering any of the questions above.

<b>9.5.6</b>	Total amount of adjustments not captured above which increase Taxable Income
<b>9.5.7</b>	Total amount of adjustments not captured above which decrease Taxable Income

Enter the amount(s) if applicable. If not applicable, this can be left blank or populated with '0'.

<b>9.5.8</b>	Description of the nature of the other adjustments
--------------	----------------------------------------------------

Enter a description of the adjustment if you have entered any amount in the previous field.



## 10. Tax Liability and Tax Credits

### 10.1. Taxable Income

This part is applicable to all Taxable Persons

<b>10.1.1</b>	Taxable Income / Tax Loss
---------------	---------------------------

The Taxable Income (positive or negative) for a Tax Period is the Accounting Income for that period after making adjustments as required under the Corporate Tax Law, to the extent applicable.<sup>124</sup>

This is calculated automatically based on inputs you provided in Section [7](#) to [9](#).

### 10.2. Tax Losses

This part is applicable to natural persons and juridical persons who are either Resident Persons or Non-Resident Persons, Unincorporated Partnerships treated as a Taxable Person, and Qualifying Free Zone Persons.

If you are a Tax Group, please see Section [10.3](#) for Tax Group Tax Losses.

Where a Taxable Person's deductible expenditure exceeds its income that is subject to Corporate Tax, it will have negative Taxable Income. This is known as a Tax Loss. Some of the key features of Tax Loss relief under the Corporate Tax Law includes:

- A Taxable Person can carry forward its Tax Loss, subject to meeting the necessary conditions.<sup>125</sup>
- The carried forward Tax Loss can be offset against the Taxable Income in subsequent Tax Periods, subject to certain limits.<sup>126</sup>
- A Taxable Person can also transfer its Tax Loss to another Taxable Person, subject to meeting the necessary conditions.<sup>127</sup>

For further information on Tax Losses, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>10.2.1</b>	Does the Taxable Person have any brought forward Tax Losses?
---------------	--------------------------------------------------------------

<sup>124</sup> Article 20(2) of the Corporate Tax Law.

<sup>125</sup> Article 39 of the Corporate Tax Law.

<sup>126</sup> Article 37 of the Corporate Tax Law.

<sup>127</sup> Article 38 of the Corporate Tax Law.



This will be pre-populated as 'Yes' if your brought forward Tax Loss is populated in the 'Tax Losses' Schedule (see part [A](#) of Section [17](#)).

Where the answer to this question is 'Yes', you will be directed to complete the 'Tax Losses' Schedule (see part [A](#) of Section [17](#)).

<b>10.2.2</b>	Does the Taxable Person wish to claim Tax Losses from, or surrender Tax Losses to, another group entity?
---------------	----------------------------------------------------------------------------------------------------------

Answer 'Yes' if:

- you intend to transfer your Tax Loss to another Taxable Person in the Tax Period as per the conditions of Article 38 of the Corporate Tax Law, or
- you will receive a Tax Loss from another Taxable Person in the Tax Period as per the conditions of Article 38 of the Corporate Tax Law.

If you answer this question as 'Yes', you will be directed to the 'Tax Losses' Schedule.

If you answer 'No' to the questions **10.2.1** and **10.2.2**, you will be directed to 'Tax Calculation and Tax Credits' (see Section [10.4](#)).

<b>10.2.3</b>	Tax Losses utilised in current Tax Period
---------------	-------------------------------------------

The field is relevant to you if you have Taxable Income in the current Tax Period and the answer to question **10.2.1** is 'Yes' (i.e. you have brought forward Tax Losses).

This amount will be pre-populated based on your input in the 'Tax Losses' Schedule (see Section [17.1](#)).

<b>10.2.4</b>	Tax Losses claimed from other group entities
---------------	----------------------------------------------

This field is relevant to you if you have received a Tax Loss from another Taxable Person as per the conditions of Article 38 of the Corporate Tax Law and you have answered question **10.2.2** as 'Yes'.

This amount will be pre-populated based on your input in the 'Tax Losses' Schedule (see Section [17.2](#)).

### 10.3. Tax Group Tax Losses

This part is applicable to Tax Groups.

There are specific rules for utilisation of Tax Losses in case of Tax Groups.



For further information see [Corporate Tax Guide on Tax Groups](#).

<b>10.3.1</b>	Does the Tax Group have any brought forward Tax Losses?
---------------	---------------------------------------------------------

This is pre-populated as 'Yes' if a brought forward Tax Loss is populated in 'Tax Group Loss' Schedule.

Where the answer to this question is 'Yes', you will be directed to complete the 'Tax Group Loss' Schedule (see part [B](#) of Section [17](#)).

<b>10.3.2</b>	Does the Tax Group wish to claim Tax Losses from, or surrender Tax Losses to, another group entity?
---------------	-----------------------------------------------------------------------------------------------------

Answer 'Yes' if:

- Any member of the Tax Group intends to transfer its Tax Loss to another Taxable Person outside the Tax Group as per the conditions of Article 38 of the Corporate Tax Law or
- A Taxable Person outside the Tax Group will transfer its Tax Loss to any member of the Tax Group as per the conditions of Article 38 of the Corporate Tax Law.

If you answer this question as 'Yes', you will be directed to the 'Tax Group Loss' Schedule (see part [B](#) of Section [17](#)).

If you answer 'No' in field **10.3.1** and this question, you will be directed to 'Tax Calculation and Tax Credits' (see Section [10.4](#)).

<b>10.3.3</b>	Tax Group Tax Losses utilised in current Tax Period
---------------	-----------------------------------------------------

This field is relevant to you if you have Taxable Income in the current Tax Period and the answer to question **10.3.1** is 'Yes' (i.e. Tax Group has brought forward Tax Losses).

This amount will be pre-populated based on your input in the 'Tax Group Loss' Schedule (see Section [17.7](#)).

<b>10.3.4</b>	Pre-Grouping Tax Losses utilised in the current Tax Period
---------------	------------------------------------------------------------



When a Subsidiary joins a Tax Group, the unutilised Tax Losses of that Subsidiary will become the pre-Grouping Tax Loss for the Tax Group and can only be utilised to the extent of the Taxable Income of the Tax Group that is attributable to that Subsidiary.<sup>128</sup>

This amount will be pre-populated based on your input in the 'Tax Group Loss' Schedule (see Section [17.6](#)).

<b>10.3.5</b>	Tax Losses claimed from other group entities
---------------	----------------------------------------------

This field is relevant to you if any member of the Tax Group has received a Tax Loss from a Taxable Person outside the Tax Group, as per conditions of Article 38 of the Corporate Tax Law and you have answered question **10.3.2** as 'Yes'.

This amount will be pre-populated based on your input in the 'Tax Group Loss' Schedule (see Section [17.8](#)).

#### 10.4. Tax Calculation and Tax Credits

This part is applicable to all Taxable Persons.

For further information, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>10.4.1</b>	Taxable Income after Tax Loss adjustments
---------------	-------------------------------------------

This is calculated automatically.

<b>10.4.2</b>	Corporate Tax Liability
---------------	-------------------------

This is calculated automatically.

- For Taxable Persons (including non-Qualifying Free Zone Persons): Taxable Income in excess of AED 375,000 is subject to Corporate Tax at a rate of 9%.<sup>129</sup>
- For Qualifying Free Zone Persons: Qualifying Income is subject to Corporate Tax at a rate of 0% and other income is taxed at 9%.<sup>130</sup>

<sup>128</sup> Article 7(1) of Ministerial Decision No. 125 of 2023.

<sup>129</sup> Article 3(1) of the Corporate Tax Law.

<sup>130</sup> Article 3(2) of the Corporate Tax Law.



**10.4.3** Does the Taxable Person wish to use any available tax credits?

Answer 'Yes' if you wish to use any tax credit available under the Corporate Tax Law. For example, answer 'Yes' if you want to claim a Foreign Tax Credit in respect of taxes paid in foreign jurisdiction on a foreign source income.

If you answer this question as 'Yes', you will be directed to the 'Tax Calculation and Tax Credits' Schedule (see Section [15](#)).

This question will not be visible if you have a Tax Loss.

**10.4.4** Tax credits

You will be asked to complete this field, if your answer is 'Yes' to question **10.4.3**. The amount is pre-populated from the 'Tax Calculation and Tax Credits' Schedule (see Section [15](#)).

**10.4.5** Corporate Tax Payable

This is calculated automatically as Corporate Tax Liability (see field **10.4.2**) less Tax credits (see field **10.4.4**).

**10.5. Estimated / provisional figures included in the Tax Return**

This part is applicable to all Taxable Persons.

**10.5.1** Have any estimated figures been included in the Tax Return?

The purpose of this question is to disclose if a Taxable Person has provided an estimated figure if, at the time of filing their Tax Return, they are unable to provide a final figure.

Answer 'Yes' if you included figures in the Tax Return that are not final figures (or you need to provide any supplementary information to the FTA when submitting your Tax Return). Otherwise, answer 'No'.

**10.5.2** Please provide details of where estimated figures have been used

Enter details, if applicable.



## 11. Review and declaration

Once the Tax Return is completed, the person responsible for filing the Tax Return is required to make a declaration in the 'Declaration' part of the Tax Return confirming that the information provided in the Tax Return is correct.

<b>11.1</b>	Date
-------------	------

You will be presented with a calendar, input the date of filing Tax Return.

<b>11.2</b>	Confirm who the Tax Return is being prepared by
-------------	-------------------------------------------------

Please confirm if the Tax Return is prepared by the Taxable Person themselves or their Tax Agent or their Legal Representative.

If you are an Unincorporated Partnership that is a separate Taxable Person, enter if the Tax Return is prepared by the Authorised Partner<sup>131</sup> or their Tax Agent or their Legal Representative.

<b>11.3</b>	I confirm I have been granted full authority to complete this Tax Return on behalf of the relevant Taxable Person
-------------	-------------------------------------------------------------------------------------------------------------------

Make the appropriate confirmation if you are the preparer (Tax Agent, Legal Representative) of the Tax Return. This is not applicable for the Taxable Person itself.

<b>11.4</b>	I confirm that the information provided in this Tax Return, including any schedules, is to the best of my knowledge complete and accurate at the date of submission.
-------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------

Make the appropriate confirmation. If any estimates have been used, this should be noted in the 'Estimated / provisional figures included in the Tax Return' part.

<b>11.5</b>	Signed by
-------------	-----------

Enter your name.

\_\_\_\_\_

<sup>131</sup> Article 16(9)(c) of the Corporate Tax Law.



11.6

Capacity

Describe the capacity in which you are signing the Tax Return (for example, self or Tax Agent etc.).





## 12. Free Zone Schedules

### 12.1. Free Zone Schedule

This schedule should be completed if you are a Qualifying Free Zone Person. The purpose of this schedule is to:

- Determine if the de minimis requirement has been met. If not, then you will not be entitled to apply the 0% Corporate Tax rate available to a Qualifying Free Zone Person on its Qualifying Income.
- Disclose the total amount of qualifying Revenue for purposes of determining Qualifying Income for the Tax Period. This amount is merely for disclosure and will not be applied in the tax computation part of the Tax Return.
- Provide details of the substance of the Taxable Person in the Free Zone.
- Provide confirmations pertaining to meeting the conditions of a Qualifying Free Zone Person.

It is important to note that where a Qualifying Free Zone Person derives both (i) Qualifying Income and (ii) other income that is not Qualifying Income, it will need to allocate its expenses between the two components in order to determine its Qualifying Income and other income, respectively, as these amounts are net of expenses. Other income that is not Qualifying Income would be the starting point for the Qualifying Free Zone Person in the determination of its Taxable Income subject to Corporate Tax at 9%, if applicable.

For further information, see the [Corporate Tax Guide on Free Zone Persons](#).

#### A. Revenue Schedule

This part calculates your Revenue for the purposes of the de minimis requirement, which permits a small amount of income from Excluded Activities and non-qualifying sources without affecting the ability to be a Qualifying Free Zone Person.

The de minimis requirements are satisfied where the non-qualifying Revenue<sup>132</sup> derived by the Qualifying Free Zone Person in a Tax Period does not exceed the lower of:<sup>133</sup>

- 5% of the total Revenue of the Qualifying Free Zone Person in that Tax Period. For this purpose, the total Revenue is all the Revenue that a Free Zone Person derives in a Tax Period, less certain adjustments<sup>134</sup> (total adjusted Revenue), or
- AED 5 million.

<sup>132</sup> Article 4(1) of Cabinet Decision No. 100 of 2023.

<sup>133</sup> Article 3 of Ministerial Decision No. 265 of 2023.

<sup>134</sup> Article 4(3) of Cabinet Decision No. 100 of 2023.



For further information to calculate non-qualifying Revenue and total adjusted Revenue to apply the de minimis requirements, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.1</b>	Total Revenue per the Financial Statements
---------------	--------------------------------------------

Enter the gross amount of income recorded in your Financial Statements, before any deductions.

<b>12.1.2</b>	Does the Free Zone Person have a Domestic or Foreign Permanent Establishment?
---------------	-------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable. For example, a branch in the UAE mainland is an example of a Domestic Permanent Establishment if the branch is used as a fixed or permanent place through which a Business is conducted.

For further information, see [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.3</b>	Total Revenue attributable to a Domestic or Foreign Permanent Establishment
---------------	-----------------------------------------------------------------------------

Enter the total amount of Revenue attributable to all Domestic Permanent Establishments and Foreign Permanent Establishments (i.e. amount of gross income without any deductions). This amount will be reduced from Total Revenue for the purposes of determining the de-minimis requirement.<sup>135</sup>

Further, this amount should be part of the calculation of Accounting Income in Section [7.1](#) as it is attributable to 'other income' of the Qualifying Free Zone Person, which is subject to 9% Corporate Tax. Although the Accounting Income figure should take into account expenses incurred in deriving this income.<sup>136</sup>

<b>12.1.4</b>	Does the Free Zone Person derive Revenue from transactions with Non-Free Zone Persons in respect of Commercial Property located in a Free Zone?
---------------	-------------------------------------------------------------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable. If all your Revenue in respect of Commercial Property in the Free Zone is from other Free Zone Persons that are Beneficial Recipients, answer 'No'.

<sup>135</sup> Article 4(3)(b) of Cabinet Decision No. 100 of 2023.

<sup>136</sup> Article 5 of Cabinet Decision No. 100 of 2023.



For further information, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.5</b>	Total Revenue derived from transactions with Non-Free Zone Persons in respect of Commercial Property located in a Free Zone
---------------	-----------------------------------------------------------------------------------------------------------------------------

Enter the gross amount (i.e. the amount of gross income before any deductions). If such Revenue is attributable to a Domestic or Foreign Permanent Establishment, this should be entered in field **12.1.3**. This amount will be excluded from Total Revenue for the purposes of determining the de-minimis requirement.<sup>137</sup>

This amount should also be part of the calculation of Accounting Income in Section [7.1](#) as it is attributable to ‘other income’ of the Qualifying Free Zone Person, which is subject to 9% Corporate Tax. Although the Accounting Income figure should take into account expenses incurred in deriving this income.<sup>138</sup>

<b>12.1.6</b>	Does the Free Zone Person derive Revenue from immovable property located in a Free Zone that is not Commercial Property?
---------------	--------------------------------------------------------------------------------------------------------------------------

Residential apartments, for example, are not Commercial Property. Answer ‘Yes’ or ‘No’ as applicable.

For further information on *Immovable Property that is not Commercial Property*, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.7</b>	Total Revenue from immovable property located in a Free Zone that is not Commercial Property
---------------	----------------------------------------------------------------------------------------------

Enter the gross amount (i.e. the amount of gross income before any deductions). If such Revenue is attributable to a Domestic or Foreign Permanent Establishment, this should be entered in field **12.1.3**. This amount will be excluded from Total Revenue for the purposes of determining the de-minimis requirement.<sup>139</sup>

This amount should also be part of the calculation of Accounting Income in Section [7.1](#) as it is attributable to ‘other income’ of the Qualifying Free Zone Person, which is subject to 9% Corporate Tax. Although the Accounting Income figure should take into account expenses incurred in deriving this income.<sup>140</sup>

<sup>137</sup> Article 4(3)(a)(1) of Cabinet Decision No. 100 of 2023.

<sup>138</sup> Article 6(1)(a) of Cabinet Decision No. 100 of 2023.

<sup>139</sup> Article 4(3)(a)(2) of Cabinet Decision No. 100 of 2023.

<sup>140</sup> Article 6(1)(b) of Cabinet Decision No. 100 of 2023.



**12.1.8**

Does the Free Zone Person derive Revenue from the ownership or exploitation of intellectual property?

Intellectual property refers to intangible assets owned and legally protected by a Person from outside use or implementation without consent (for example, trademarks, patents, copyrights, brands, technical know-how).

Answer 'Yes' or 'No' as applicable.

**12.1.9**

Total Revenue derived from the ownership or exploitation of intellectual property that is not considered Qualifying Income

This is pre-populated from the 'Intellectual Property' Schedule (see Section [12.2](#)).

**12.1.10**

Total Revenue for the de minimis requirement

This is calculated automatically as Total Revenue reported in field **12.1.1** less Revenues reported in fields **12.1.3**, **12.1.5**, **12.1.7** and **12.1.9**.

## B. Non-qualifying Revenue

This part calculates your non-qualifying Revenue for the purposes of the de minimis requirement.

**12.1.11**

Revenue derived from Excluded Activities

Enter the gross amount, even if the other party is a Free Zone Person. Do not include any amounts you have already entered in Section [A](#) of the 'Revenue' schedule (except under total Revenue per the Financial Statements).

*For further information about Excluded Activities, see the [Corporate Tax Guide on Free Zone Persons](#).*

**12.1.12**

Revenue derived from activities that are not Qualifying Activities where the other party to the transaction is a Non-Free Zone Person

Enter the gross amount, but only to the extent the other party is not a Free Zone Person. Do not include any amounts you have already entered in in Section [A](#) of 'Revenue' schedule (except under total Revenue per the Financial Statements). Also,



do not include any amounts already entered under 'Revenue derived from Excluded Activities'.

For further information about Qualifying Activities, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.13</b>	Revenue derived from transactions with Free Zone Persons that are not the Beneficial Recipient of the relevant services or goods
----------------	----------------------------------------------------------------------------------------------------------------------------------

Enter the amount of Revenue derived from transactions with Free Zone Persons that are not the Beneficial Recipient of the relevant Goods and services. The term

"Beneficial Recipient" shall mean a Person who has the right to use and enjoy the service or the Good and does not have a contractual or legal obligation to supply such service or Good to another person and the term "Good" shall mean tangible or intangible property that has economic value in dealing including movable and immovable property.<sup>141</sup>

Do not include the following amounts:

- any amounts you have already entered in Section [A](#) of 'Revenue' schedule (except under total Revenue per the Financial Statements),
- any amounts already entered under 'Revenue derived from Excluded Activities', and
- any amounts derived from Qualifying Activities.

For further information about who is a Beneficial Recipient, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.14</b>	Total non-qualifying Revenue
----------------	------------------------------

This is calculated automatically as the total of Revenues you report in Section [B](#).

### C. De minimis calculation

<b>12.1.15</b>	Is the de minimis requirement met?
----------------	------------------------------------

The de minimis requirements are met if your non-qualifying Revenue does not exceed the lower of AED 5 million or 5% of your total Revenue.<sup>142</sup>

<sup>141</sup> Article 3(3) of Cabinet Decision No. 100 of 2023.

<sup>142</sup> Article 3 of Ministerial Decision No. 265 of 2023.



This is pre-populated based on the answers you provide in Sections [A](#) and [B](#) above.

If the requirement is not met, you will not be a Qualifying Free Zone Person and this will be reflected in your Tax Return for the current and subsequent 4 Tax Periods.<sup>143</sup>

#### D. Qualifying revenue

<b>12.1.16</b>	Revenue derived from Free Zone Persons (except for income derived from Excluded Activities)
----------------	---------------------------------------------------------------------------------------------

Enter the aggregate of the following amounts:<sup>144</sup>

- Amounts derived from Free Zone Persons (except for income derived from Excluded Activities) where the Free Zone Person is the Beneficial Recipient.
- Revenue from Free Zone Persons where they are not the Beneficial Recipients of the relevant Good and services as long as the Revenue is derived from Qualifying Activities.
- Other non-qualifying Revenue derived from transactions with Free Zone Persons where the recipient Free Zone Person is not a Beneficial Recipient, provided such non-qualifying Revenue does not exceed the de minimis requirement.
- Revenue from Excluded Activities provided it does not exceed the de minimis requirement.

The terms “Beneficial Recipient” and “Good” are defined under Section [B](#) above.

*For further information about Excluded Activities and Beneficial Recipient see the [Corporate Tax Guide on Free Zone Persons](#).*

<b>12.1.17</b>	Revenue derived from Non-Free Zone Persons in respect of Qualifying Activities
----------------	--------------------------------------------------------------------------------

Enter the amount derived from Non-Free Zone Persons in respect of Qualifying Activities that are not Excluded Activities.<sup>145</sup>

*For further information about Qualifying Activities see the [Corporate Tax Guide on Free Zone Persons](#).*

<sup>143</sup> Article 5(2) of Ministerial Decision No. 265 of 2023.

<sup>144</sup> Article 3(1) of Cabinet Decision No. 100 of 2023.

<sup>145</sup> Article 3(1)(b) of the Cabinet Decision No. 100 of 2023



<b>12.1.18</b>	<b>Qualifying Activities undertaken</b>
----------------	-----------------------------------------

This field will be visible, if you have entered an amount in field **12.1.17**. Check the appropriate box(es) in respect of all the Qualifying Activities undertaken in the Tax Period.

<b>12.1.19</b>	<b>Revenue derived from the ownership or exploitation of Qualifying Intellectual Property</b>
----------------	-----------------------------------------------------------------------------------------------

This is pre-populated based on the 'Qualifying Intellectual Property' Schedule (see Section [12.2](#)).

### E. Substance (Free Zones)

To be a Qualifying Free Zone Person for a Tax Period, you must maintain adequate substance in a Free Zone (or in a Designated Zone for the Qualifying Activity of distribution) throughout that Tax Period.<sup>146</sup> This requires you to:<sup>147</sup>

- undertake the core income-generating activities for that Business in the Free Zone (or Designated Zone for the Qualifying Activity of distribution), and
- within the Free Zone (or Designated Zone) maintain adequate assets and qualified full-time employees, and incur an adequate amount of operating expenditures in relation to each of those core income-generating activities.

<b>12.1.20</b>	<b>Are all employees located in a Free Zone?</b>
----------------	--------------------------------------------------

Answer 'Yes' or 'No' as applicable. An indicator of where an employee is located would be where they spend the majority of their working time.

<b>12.1.21</b>	<b>Total average number of full-time employees</b>
----------------	----------------------------------------------------

<b>12.1.22</b>	<b>Total average number of full-time employees located in a Free Zone</b>
----------------	---------------------------------------------------------------------------

Enter the number as appropriate.

Compute the average number of employees on employment contracts as follows:  $(N1 + N2) / 2$ , where N1 is the number of employees at the beginning of the Tax Period, and N2 is the number of employees at the end of the Tax Period.

<sup>146</sup> Article 18(1)(a) of the Corporate Tax Law.

<sup>147</sup> Article 8 of Cabinet Decision No. 100 of 2023.



If the above formula results in a number with decimal value, these fields accept up to one decimal place.

<b>12.1.23</b>	Total operating expenditure incurred in deriving Qualifying Income
<b>12.1.24</b>	Total capital expenditure incurred in deriving Qualifying Income

Enter the amount as appropriate.

For further information on allocating expenditure between Qualifying Income and other income (if relevant), see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.1.25</b>	Have any of the core-income generating activities been outsourced to an outsourcing provider?
----------------	-----------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

<b>12.1.26</b>	Number of outsourcing providers
----------------	---------------------------------

Enter the number. You will then be required to enter information for each provider.

<b>12.1.27</b>	Name of the outsourcing provider
----------------	----------------------------------

Enter the legal name.

<b>12.1.28</b>	Address of the outsourcing provider
----------------	-------------------------------------

Enter the address.

<b>12.1.29</b>	Corporate Tax TRN of the outsourcing provider
----------------	-----------------------------------------------

Enter the TRN.

<b>12.1.30</b>	Total expenditure incurred on the outsourcing provider during the Tax Period
----------------	------------------------------------------------------------------------------

Enter the amount.





<b>12.1.31</b>	Total average number of full-time employees provided by the outsourcing provider
----------------	----------------------------------------------------------------------------------

Enter the average number.

Compute the average number of employees on employment contracts as follows:  $(N1 + N2) / 2$ , where N1 is the number of employees at the beginning of the Tax Period, and N2 is the number of employees at the end of the Tax Period.

If the above formula results in a number with decimal value, this field will accept up to one decimal place.

<b>12.1.32</b>	Confirmation that there is adequate supervision over the activities of the outsourcing provider
----------------	-------------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

For an explanation of what constitutes adequate supervision, see the [Corporate Tax Guide on Free Zone Persons](#).

#### F. Free Zone confirmations

You are required to provide the confirmations asked in this section to be considered a Qualifying Free Zone Person. If the answer is 'No' to any of these questions, then you cannot be considered a Qualifying Free Zone Person for the current Tax Period and the next 4 Tax Periods.

<b>12.1.33</b>	An adequate amount of assets were held in a Free Zone
<b>12.1.34</b>	An adequate number of qualified employees were located in a Free Zone
<b>12.1.35</b>	An adequate amount of operating expenditures were incurred in a Free Zone

Answer 'Yes' if you have 'adequate' asset, qualified employees and operating expenditure in relation to each core income-generating activity.

<b>12.1.36</b>	Any Related Party transactions have been undertaken in accordance with Article 34
----------------	-----------------------------------------------------------------------------------



Answer 'Yes' or 'No' as applicable. Article 34 of the Corporate Tax Law requires transactions between Related Parties to be undertaken in accordance with the arm's length principle.

For further information on Related Party transactions see the [Corporate Tax Guide on Transfer Pricing](#).

<b>12.1.37</b>	Transfer Pricing documentation has been prepared in accordance with Article 55
----------------	--------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

For further information on Transfer Pricing documentation, see the [Corporate Tax Guide on Transfer Pricing](#).

<b>12.1.38</b>	Audited Financial Statements have been prepared
----------------	-------------------------------------------------

Answer 'Yes' if your Financial Statements is audited by an independent external auditor.

For entities incorporated in the UAE, (or operating in the UAE through a Permanent Establishment situated in the UAE), the audit must be performed by a UAE-registered auditor, pursuant to Federal Law No. 41 of 2023 on the Regulation of the Auditing Profession and its amendments, read together with Ministerial Resolution No. 403 of 2015 concerning the International Standards for the Auditing Profession, or any other applicable legislation.

#### G. Additional information

<b>12.1.39</b>	Provide details of EBITDA and salaries and wages attributable to each Emirate
----------------	-------------------------------------------------------------------------------

Enter the appropriate amounts for each Emirate.

<b>12.1.40</b>	Additional information
----------------	------------------------

Provide any additional information that may be relevant to determine Qualifying Free Zone Person status. This field is optional.



## 12.2. Free Zone Income from Intellectual Property Schedule

You must complete this schedule if you are a Qualifying Free Zone Person that derives income from the ownership or exploitation of Qualifying Intellectual Property.

For further information on Qualifying Intellectual Property, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.2.1</b>	Description of the Qualifying Intellectual Property
---------------	-----------------------------------------------------

Enter a description.

<b>12.2.2</b>	Overall Income derived from the Qualifying Intellectual Property
---------------	------------------------------------------------------------------

Enter the amount of income derived from each Qualifying Intellectual Property separately. This must include income from embedded intellectual property income derived from the sale of products and the use of processes directly related to the Qualifying Intellectual Property as determined in accordance with the arm's length principle under Article 34 of the Corporate Tax Law.

For further information, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.2.3</b>	Overall Expenditure relating to the Qualifying Intellectual Property
---------------	----------------------------------------------------------------------

Enter the amount of expenditure related to each Qualifying Intellectual Property separately. This should include expenditures incurred to fund research and development activities directly connected with the creation, invention or significant development of the Qualifying Intellectual Property, including acquisition costs of the Qualifying Intellectual Property.

For further information, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.2.4</b>	Qualifying Expenditure relating to the Qualifying Intellectual Property
---------------	-------------------------------------------------------------------------

Enter the amount of Qualifying Expenditure related to each Qualifying Intellectual Property separately. This should include expenses incurred to fund research and development activities directly connected with the creation, invention or significant development of the Qualifying Intellectual Property, except any expenditure incurred in outsourcing these activities to Related Parties.



For further information, see the [Corporate Tax Guide on Free Zone Persons](#).

<b>12.2.5</b>	Uplift Expenditure relating to the Qualifying Intellectual Property
---------------	---------------------------------------------------------------------

This is calculated automatically for each Qualifying Intellectual Property based on Article 4 of Ministerial Decision No. 265 of 2023.

<b>12.2.6</b>	Revenue attributable to Qualifying Income in respect of the Qualifying Intellectual Property
---------------	----------------------------------------------------------------------------------------------

This is calculated automatically for each Qualifying Intellectual Property based on Article 4 of Ministerial Decision No. 265 of 2023.

<b>12.2.7</b>	Income in excess of Qualifying Income
---------------	---------------------------------------

This is calculated automatically as the difference between Overall Income derived from each Qualifying Intellectual Property (see field **12.2.2**) and Qualifying Income in respect of each Qualifying Intellectual Property (see field **12.2.6**).

<b>12.2.8</b>	Total income in excess of Qualifying Income
---------------	---------------------------------------------

This is pre-populated as total of excess income calculated in field **12.2.7** for all Qualifying Intellectual Property.

It represents the income in respect of Qualifying Intellectual Property which does not benefit from the 0% rate for Qualifying Income.

<b>12.2.9</b>	Total income derived from the ownership or exploitation of intellectual property which is not Qualifying Intellectual Property
---------------	--------------------------------------------------------------------------------------------------------------------------------

Enter the gross amount of income from other Intellectual Property. This also cannot benefit from the 0% rate for Qualifying Income.

<b>12.2.10</b>	Total Revenue derived from the ownership or exploitation of intellectual property that is not considered Qualifying Income
----------------	----------------------------------------------------------------------------------------------------------------------------

This is calculated automatically as the sum of the amount in fields **12.2.8** and **12.2.9**. This amount is included in field **12.1.9** in Section [12.1](#).



## 13. UAE Dividends Schedule

If you have received Dividends and/or profit distributions from juridical persons that are Resident Persons under the UAE Corporate Tax Law, for instance a UAE company, provide details for each entity declaring a Dividend or making a profit distribution in this schedule.

Dividends or other profit distributions received from Exempt Persons should not be included in this schedule.

In addition, the schedule should include any UAE Dividends declared to the Taxable Person during the Tax Period, which were excluded from the values entered in the following fields and thus effectively included in income in the income statement:<sup>148</sup>

- Share of profit relating to investments accounted for under the Equity Method of Accounting.
- Share of losses relating to investments accounted for under the Equity Method of Accounting.

The purpose of this schedule is to provide details of and calculate the total amount of Dividends or other profit distributions to be deducted from Accounting Income for purposes of determining Taxable Income.<sup>149</sup>

<b>13.1</b>	Company Name
-------------	--------------

Enter the name of each juridical person that is a Resident Person from which you have received Dividends or other profit distributions in the Tax Period.

<b>13.2</b>	Company Corporate Tax TRN
-------------	---------------------------

For each juridical person added in field **13.1**, enter its TRN for Corporate Tax purposes issued by the FTA.

If the TRN is not available, leave the box blank. Note that if a company does not have a TRN, it may not be a UAE Resident Person, in which case its Dividend or profit distribution should not be included in this schedule.

<b>13.3</b>	Profit distribution received
-------------	------------------------------

<sup>148</sup> Article 2(2) of Ministerial Decision No. 134 of 2023.

<sup>149</sup> Article 22(1) of the Corporate Tax Law.



Enter the amount received in the Tax Period. If you have received more than one Dividend or profit distribution from the same entity in the Tax Period, enter the total amount.

If the amount is received in a foreign currency, convert the amount into AED as per FTA Decision No. 13 of 2023.



## 14. Foreign Permanent Establishment Schedule

This schedule is required to be completed if you have made an election under Article 24 of the Corporate Tax Law for the Foreign Permanent Establishment exemption (see Section [5.6](#)). This election has the effect of excluding from Corporate Tax the income and associated expenditure of eligible Foreign Permanent Establishments.<sup>150</sup>

The purpose of this schedule is to:

- Calculate the adjustment in the tax computation in relation to the income and expenditure in relation to eligible Foreign Permanent Establishments.
- Confirm, based on information relating to prior Tax Periods (if applicable), that total losses of eligible Foreign Permanent Establishments utilised by you have been set off against the aggregate income from such eligible Foreign Permanent Establishments before the election is made.
- Provide a list of your ineligible Foreign Permanent Establishments.

This schedule does not calculate the income and expenditure attributable to your Foreign Permanent Establishments. This must be done by you before completing this schedule.

For further information, see the [Corporate Tax Guide on Taxation of Foreign Source Income](#).

### 14.1. Eligible Foreign Permanent Establishments – prior Tax Periods

Unless it is your first Tax Period or you have not previously made this election, some of the data regarding Foreign Permanent Establishments will be pre-populated based on your previous Tax Returns.

If this is your first Tax Period, the fields in this section will not be asked.

<b>14.1.1</b>	Tax Period(s)
---------------	---------------

This is pre-populated.

<b>14.1.2</b>	Taxable Income attributable to the Foreign Permanent Establishments
<b>14.1.3</b>	Tax Loss attributable to the Foreign Permanent Establishments

<sup>150</sup> Article 24 of the Corporate Tax Law.



For each prior Tax Period, enter the amount of the aggregate Taxable Income or aggregate Tax Loss attributable to the Foreign Permanent Establishments as appropriate.

The amounts entered should be consistent with those entered in this schedule in previous Tax Returns.

<b>14.1.4</b>	Was the Foreign Permanent Establishment election made in respect of the Tax Period?
---------------	-------------------------------------------------------------------------------------

This is pre-populated based on your Tax Return for previous Tax Periods.

<b>14.1.5</b>	Tax Losses attributable to the Foreign Permanent Establishment which have been utilised against Taxable Income
---------------	----------------------------------------------------------------------------------------------------------------

Enter the amount of any aggregate Tax Losses attributable to the Foreign Permanent Establishments which were offset against your other Taxable Income in each prior Tax Period.

<b>14.1.6</b>	Tax Losses attributable to the Foreign Permanent Establishment which have been offset against subsequent Taxable Income derived by the Foreign Permanent Establishment
---------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The amount to be entered here is the aggregate Tax Losses of the Foreign Permanent Establishments which have been set off against the Taxable Income derived by the Foreign Permanent Establishments in subsequent Tax Periods.

If the amount entered exceeds the amount in the preceding field 'Tax Losses attributable to the Foreign Permanent Establishment(s) which have been utilised against Taxable Income' (see field **14.1.5**), then the Foreign Permanent Establishment exemption will not be available to you in the current Tax Period.<sup>151</sup>

<b>14.1.7</b>	Carried forward Tax Losses attributable to the Foreign Permanent Establishments which have been utilised against Taxable Income derived by the Foreign Permanent Establishments.
---------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

This is calculated automatically as the difference between fields **14.1.5** and **14.1.6**.

<sup>151</sup> Article 13(1) of Ministerial Decision No. 116 of 2023.





## 14.2. Eligible Foreign Permanent Establishments – current Tax Period

<b>14.2.1</b>	Tax Period
---------------	------------

The current Tax Period will be pre-populated here.

<b>14.2.2</b>	Taxable Income attributable to the Foreign Permanent Establishments
<b>14.2.3</b>	Tax Loss attributable to the Foreign Permanent Establishments

Enter the amount of Taxable Income or Tax Loss attributable to the eligible Foreign Permanent Establishment for the Tax Period.

*For further information on how to determine Taxable Income or Loss attributable to Foreign Permanent Establishment, see the [Corporate Tax Guide on Taxation of Foreign Source Income](#).*

If you have more than one eligible foreign Permanent Establishment, set off the aggregate Taxable Income against aggregate Tax Losses of all your eligible Foreign Permanent Establishments for the Tax Period. If the net result is Taxable Income, enter the amount in field **14.2.2** and if the net result is a Tax Loss, enter the amount in field **14.2.3**.

## 14.3. Ineligible Foreign Permanent Establishments

List your other Foreign Permanent Establishments which do not meet the condition for the Foreign Permanent Establishment exemption. The condition is that the Foreign Permanent Establishments must be subject to Corporate Tax or a tax of a similar character under the applicable legislation of the relevant jurisdiction at a rate not less than 9%.<sup>152</sup>

For each entry, include the name of the jurisdiction.

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<sup>152</sup> Article 24(7) of the Corporate Tax Law.



## 15. Tax Credit Schedule

### 15.1. Foreign Tax Credits

This schedule must be completed if you intend to claim a Foreign Tax Credit. The purpose of this schedule is to calculate the Foreign Tax Credit available to the Taxable Person.

Any unutilised Foreign Tax Credit cannot be carried forward to future Tax Periods or carried back to earlier Tax Periods.<sup>153</sup> Thus, an unutilised Foreign Tax Credit will be forfeited. Further, a deduction from Taxable Income of the unutilised Foreign Tax Credit is not permitted.<sup>154</sup>

Provide information for each stream of foreign source income. Combine income of the same character where it is from the same country, for example multiple Interest payments received in the Tax Period.

For further information, see the [Corporate Tax Guide on Taxation of Foreign Source Income](#).

<b>15.1.1</b>	Country
---------------	---------

Select the source country from the drop-down list.

<b>15.1.2</b>	Taxable Income attributable to the foreign country
---------------	----------------------------------------------------

Enter the Taxable Income, calculated as per the Corporate Tax Law, in respect of the foreign source income which is subject to tax in a foreign jurisdiction for which you want to claim a Foreign Tax Credit in the UAE.

<b>15.1.3</b>	Tax liability in the Foreign Jurisdiction
---------------	-------------------------------------------

Enter the amount of foreign tax paid or payable in the foreign jurisdiction in respect of the income. The amount must be converted to AED.<sup>155</sup>

<b>15.1.4</b>	Confirmation you have evidence of the Tax Liability in the Foreign Jurisdiction
---------------	---------------------------------------------------------------------------------

<sup>153</sup> Article 47(3) of the Corporate Tax Law.

<sup>154</sup> Article 33(8) of the Corporate Tax Law.

<sup>155</sup> Article 43 of the Corporate Tax Law and Article 2 of the FTA Decision No. 13 of 2023



Enter 'Yes' or 'No' as applicable. One example would be a certificate of deduction of withholding tax issued by the relevant foreign tax authority. Such evidence must be provided to the FTA as an attachment under the 'Additional attachments' Schedule, if available at the time of submitting the Tax Return.

<b>15.1.5</b>	Nature of the tax credit
---------------	--------------------------

This should include at a minimum:

- the type of tax paid (federal, state, personal income, etc.), and
- the income which was subject to tax (personal income, business profits, etc.).

<b>15.1.6</b>	UAE Corporate Tax due on the relevant income
---------------	----------------------------------------------

This is calculated automatically based on the principle that the amount of Foreign Tax Credit cannot exceed the amount of Corporate Tax due on the relevant foreign source income.<sup>156</sup> Accordingly, If the foreign source income is Exempt Income or if you have a Tax Loss in the Tax Period and hence, there is no Corporate Tax due, then this amount will be considered as nil.

<b>15.1.7</b>	Tax Credit
---------------	------------

This is calculated automatically as the lesser of the amount of UAE Corporate Tax due on the foreign income and the amount paid in the foreign jurisdiction in respect of the foreign income.

## 15.2. Foreign Tax Credit attribution – Tax Groups

This part of the schedule must additionally be completed by a Tax Group which is claiming a Foreign Tax Credit.

The amount of Foreign Tax Credit is calculated at the level of the member of the Tax Group that has received the relevant foreign source income.<sup>157</sup> It then reduces the Corporate Tax Payable by the Tax Group.

For further information on Foreign Tax Credits for Tax Groups, see the [Corporate Tax Guide on Tax Groups](#).

<b>15.2.1</b>	Name of member
---------------	----------------

<sup>156</sup> Article 47(2) of the Corporate Tax Law.

<sup>157</sup> Article 8(1)(b) of Ministerial Decision No. 125 of 2023.



Select the name of the member from the dropdown list which has earned the relevant foreign source income for which the Foreign Tax Credit is claimed.

<b>15.2.2</b>	Taxable Income attributable to the member of Tax Group
---------------	--------------------------------------------------------

Enter the relevant Taxable Income for the member of the Tax Group on a standalone basis calculated as per the Corporate Tax Law.

For further information on how to calculate Taxable Income attributable to a member of a Tax Group, see the [Corporate Tax Guide on Tax Groups](#).

<b>15.2.3</b>	Tax paid in the foreign jurisdiction
---------------	--------------------------------------

Enter the amount of foreign tax paid or payable by the relevant member in the foreign jurisdiction in respect of the income. The amount must be converted to AED.<sup>158</sup>

<b>15.2.4</b>	UAE Corporate Tax due on the relevant income
---------------	----------------------------------------------

Calculate this amount at the level of the member of the Tax Group that has received the relevant foreign source income.

<b>15.2.5</b>	Foreign Tax Credit claimed
---------------	----------------------------

This is calculated automatically as the lesser of the amount of UAE Corporate Tax due on the foreign income and the amount paid in the foreign jurisdiction in respect of the foreign income.

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<sup>158</sup> Article 43 of the Corporate Tax Law and Article 2 of FTA Decision No. 13 of 2023.



## 16. Related Party transactions and Connected Person Schedules

### 16.1. Related Party transaction Schedule

The purpose of this schedule is to disclose some of your high value transactions with Related Parties as defined in Article 35 of the Corporate Tax Law.

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.

Once you exceed the above threshold, transactions with Related Parties where the aggregate transaction value per category referred to in field **16.1.2** (with all Related Parties) exceeds AED 4 million, must be disclosed.

Note that 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 referred to above.

In the schedule, gross income (Revenue) and expenditure should be reported separately. Figures are required for each Related Party in aggregate by type of income and/or expenditure.

*For further information, including the definition of Related Party, see the [Corporate Tax Guide on Transfer Pricing](#).*

For each reportable transaction, provide the details requested below.

<b>16.1.1</b>	Name of the Related Party
---------------	---------------------------

Enter the legal name of the Related Party.

<b>16.1.2</b>	Transaction type
---------------	------------------

Select the relevant transaction type from the drop-down list which provides the following options:

- Goods
- Services
- Intellectual Property



- Interest
- Assets
- Liabilities
- Other

<b>16.1.3</b>	<b>Tax Residence</b>
---------------	----------------------

Select the country of tax residence of the Related Party from the drop-down list. This can include the UAE.

<b>16.1.4</b>	<b>Corporate Tax TRN/TIN (where available)</b>
---------------	------------------------------------------------

Enter the TRN or TIN (where available) of your Related Party who is the counter party in the transaction. This can be either a UAE Corporate Tax TRN or a taxpayer identification number (TIN) issued by a foreign tax authority.

<b>16.1.5</b>	<b>Gross income/expenses</b>
---------------	------------------------------

Enter the amount of the gross income you earned from, or expenses you incurred in relation to the transaction with the Related Party (as appropriate). Gross income means Revenue before deducting any expenditure.

<b>16.1.6</b>	<b>Transfer Pricing method applied</b>
---------------	----------------------------------------

Select the relevant method from the drop-down list which provides the following options:

- The comparable uncontrolled price method.
- The resale price method.
- The cost-plus method.
- The transactional net margin method.
- The transactional profit split method.
- Other

<b>16.1.7</b>	<b>Description of the other Transfer Pricing method applied</b>
---------------	-----------------------------------------------------------------

Provide a description if your answer in field **16.1.6** is 'other'.

<b>16.1.8</b>	<b>Arm's Length Value</b>
---------------	---------------------------



Enter the value as if the transaction had been between Persons who were not Related Parties. If you can demonstrate that you have used arm's length pricing, this would be the same as the amount entered under the field 'Gross income/expenses'.

For further details on how to determine the arm's length value, see the [Corporate Tax Guide on Transfer Pricing](#).

<b>16.1.9</b>	Tax adjustment
---------------	----------------

This is automatically calculated as the difference between the figures input in fields **16.1.5** and **16.1.8**.

Any transfer pricing adjustment that decreases the Taxable Income (i.e. downward adjustment) will be allowed only upon a successful application to the FTA. If the downward adjustment is not approved by the FTA, enter the amount as nil.

## 16.2. Connected Persons Schedule

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).

For further information, including the definition of Connected Person, see the [Corporate Tax Guide on Transfer Pricing](#).

For each reportable transaction, provide the details requested below.

<b>16.2.1</b>	Name of the Connected Person
---------------	------------------------------

Enter the legal name of the Connected Person.

<b>16.2.2</b>	Corporate Tax TRN/TIN (where available)
---------------	-----------------------------------------

Enter the TRN or TIN (where available) of the Connected Person. This can be either a UAE Corporate Tax TRN or a taxpayer identification number (TIN) issued by a foreign tax authority.



<b>16.2.3</b>	Payment or benefit
---------------	--------------------

Select from the drop-down list.

<b>16.2.4</b>	Description
---------------	-------------

Describe the service provided by the Connected Person in return for the payment or the nature of the benefit provided to the Connected Person, as relevant.

<b>16.2.5</b>	Value of the payment or benefit provided by the Taxable Person to the Connected Person
---------------	----------------------------------------------------------------------------------------

Enter the total amount for each type of payment/benefit provided in the Tax Period as recorded in the Financial Statements. If there is more than one payment made and benefit provided by the Taxable Person to the same Connected Person, report the amount of the respective payments and benefit separately (i.e. do not net them off). In this regard, you will be able to add additional fields for each type of payment or benefit.

<b>16.2.6</b>	Market Value of the service or benefit provided by the Connected Person
---------------	-------------------------------------------------------------------------

Enter the value of the payment/benefit which would have been made/given if not dealing with a Connected Person. If you can demonstrate that Market Value was used, this would be the same as the amount entered in field **16.2.5**.

<b>16.2.7</b>	Adjustment for transactions with Connected Persons
---------------	----------------------------------------------------

This is calculated automatically as the difference between the value reported in fields **16.2.5** and **16.2.6**.





## 17. Tax Losses Schedules

### A. Tax Losses in relation to Persons other than Tax Groups

#### 17.1. Tax Losses Schedule

This schedule is required to be completed if you have:

- brought forward Tax Losses,
- utilised Tax Losses during the Tax Period,
- received Tax Losses from another Taxable Person due to the application of Business Restructuring Relief,
- transferred a Tax Loss to another Taxable Person due to the application of Business Restructuring Relief,
- been subject to the clawback under Business Restructuring Relief which included a transfer of a Tax Loss,
- transferred a Tax Loss during the Tax Period, or
- have available Tax Losses to carry forward to the subsequent Tax Period.

If you are a Tax Group, this Schedule does not apply to you, instead refer to the Schedule on 'Tax Group Losses' (see part [B](#) of Section [17](#)).

For further information on Tax Losses, see the [Corporate Tax Guide on Determination of Taxable Income](#).

<b>17.1.1</b>	Tax Losses brought forward
---------------	----------------------------

This is pre-populated based on the Tax Losses brought forward from the prior year, if any. However, this is editable, if necessary. For example, in a situation where you need to include a Tax Loss by virtue of a clawback under Business Restructuring Relief.

In addition, if you were a member in a Tax Group in an earlier Tax Period but have left the Tax Group or the Tax Group ceased to exist, enter your unutilised pre-Grouping Tax Loss here.<sup>159</sup> If you were a Parent Company of a Tax Group and the Tax Group ceased to exist, enter the amount of the Tax Group's unutilised Tax Loss here.<sup>160</sup>

<b>17.1.2</b>	Tax Loss incurred during the Tax Period
---------------	-----------------------------------------

<sup>159</sup> Article 42(6) of the Corporate Tax Law.

<sup>160</sup> Article 42(7)(a) of the Corporate Tax Law.



This is pre-populated from your tax computation for the Tax Period (see Section [10.1](#)). If you have Taxable Income in this Tax Period (and not a Tax Loss), the value here is reported as nil.

If you are a Taxable Person that is a Qualifying Free Zone Person, a Tax Loss attributable to Qualifying Activities will not be included here.

<b>17.1.3</b>	Tax Losses received due to the application of Business Restructuring Relief
---------------	-----------------------------------------------------------------------------

Where a Business or independent part of a Business is transferred on a no gain or loss basis under Business Restructuring Relief, unutilised Tax Losses incurred by the Transferor in Tax Periods before the restructuring transaction, can be carried forward and are considered as Tax Losses of the Transferee,<sup>161</sup> provided the Transferee continues to conduct the same or a similar Business or Business Activity as the Transferor conducted before the restructuring transaction.<sup>162</sup>

If you are a Transferee in a business restructuring transaction that is subject to Business Restructuring Relief, enter the relevant amount, if any.

No amount should be entered unless you have answered 'Yes' to the question "Whether the Taxable Person has received a Business or an independent part of a Business during the Tax Period and the Transferor made an election to apply Business Restructuring Relief" (see field **8.2.3**).

<b>17.1.4</b>	Tax Losses transferred due to the application of Business Restructuring Relief
---------------	--------------------------------------------------------------------------------

If you are a Transferor in a business restructuring transaction that is subject to Business Restructuring Relief, enter the relevant amount, if any.

No amount should be entered unless you have made an election to apply Business Restructuring Relief (see Section [5.5](#)).

<b>17.1.5</b>	Tax Losses which have been limited due to a change in ownership and change in Business Activity
---------------	-------------------------------------------------------------------------------------------------

A Tax Loss can be carried forward by a Taxable Person, provided the owners of the Taxable Person continuously hold at least 50% ownership from the start of the period

<sup>161</sup> Article 27(3)(d) of the Corporate Tax Law.

<sup>162</sup> Article 5(1) of Ministerial Decision No. 133 of 2023.



in which the Tax Loss is incurred, to the end of the Tax Period in which the Tax Loss is used to offset against Taxable Income (ownership condition).<sup>163</sup> If there is a change in ownership of more than 50%, Tax Losses can still be carried forward provided the same or similar Business is carried on following the change in ownership (Business continuity condition).<sup>164</sup>

These rules do not apply where the Taxable Person's shares are listed on a Recognised Stock Exchange.<sup>165</sup> Further, these conditions also do not apply to a natural person that is a Taxable Person.

If you are a Taxable Person to whom the limitation applies, enter the relevant amount, if the ownership condition and the Business continuity condition is not met in the Tax Period.

<b>17.1.6</b>	Other adjustments which increase the Tax Losses
<b>17.1.7</b>	Other adjustments which decrease the Tax Losses

Use these fields if you need to adjust your Tax Losses. If no adjustment is required, then these fields can be left blank or populated with nil.

<b>17.1.8</b>	Description of the nature of the adjustment
---------------	---------------------------------------------

Describe the reason(s) for any adjustment to Tax Losses, if applicable.

<b>17.1.9</b>	Tax Losses utilised in current Tax Period
---------------	-------------------------------------------

This is pre-populated on the basis that the maximum amount of Tax loss that can be utilised is limited to 75% of the Taxable Person's Taxable Income.<sup>166</sup> A Taxable Person must first offset the Tax Loss against its own Taxable Income before it can be transferred to another Taxable Person or carried forward to subsequent Tax Periods.<sup>167</sup>

<b>17.1.10</b>	Tax Losses carried forward available for transfer
----------------	---------------------------------------------------

This is calculated automatically as the balance of the Tax Loss available after utilising the Tax Loss in the current Tax Period.

<sup>163</sup> Article 39(1)(a) of the Corporate Tax Law.

<sup>164</sup> Article 39(1)(b) of the Corporate Tax Law.

<sup>165</sup> Article 39(3) of the Corporate Tax Law.

<sup>166</sup> Article 37(2) of the Corporate Tax Law.

<sup>167</sup> Article 37(4) of the Corporate Tax Law.



## 17.2. Tax Losses transferred from other Taxable Persons

This part of the schedule should be completed if you have received Tax Losses from another juridical person that is a Resident Person as per the conditions of Article 38 of the Corporate Tax Law.

<b>17.2.1</b>	Name of transferring entity
---------------	-----------------------------

Enter the legal name of the entity that is transferring the Tax Loss to you.

<b>17.2.2</b>	Corporate Tax TRN of transferring entity
---------------	------------------------------------------

Enter the UAE Corporate Tax TRN of the entity that is transferring the Tax Loss to you.

<b>17.2.3</b>	Amount of Tax Losses claimed
---------------	------------------------------

Enter the amount of Tax Loss utilised. In relation to a Tax Loss that is received from another Resident Person, you must first offset all your own available Tax Losses (as shown in Section [17.1](#)) before any transferred Tax Losses can be utilised. The amount of Tax Losses you can claim is thus limited to 75% of your Taxable Income less any of your own Tax Losses utilised in the current Tax Period.<sup>168</sup>

## 17.3. Tax Losses transferred to other Taxable Persons

This part of the schedule should be completed if you transfer your Tax Losses to another juridical person that is a Resident Person as per the conditions of Article 38 of the Corporate Tax Law.

This Section (i.e. Section [17.3](#)) does not apply to you if you are a Government Entity, Government Controlled Entity, Person engaged in Extractive Business or Non-Extractive Natural Resource Business, even if you are conducting a taxable Business.<sup>169</sup>

<b>17.3.1</b>	Amount of Tax Losses available for transfer
---------------	---------------------------------------------

This is pre-populated from field **17.1.10**.

<sup>168</sup> Article 38(2)(b) of the Corporate Tax Law.

<sup>169</sup> Article 4(2) of the Corporate Tax Law.



Tax Losses can only be transferred to another Resident Person after you have utilised them to the fullest extent possible in the Tax Period.<sup>170</sup>

<b>17.3.2</b>	Name of the entity to which the losses were transferred to
---------------	------------------------------------------------------------

Enter the legal name of the entity to which you are transferring the Tax Loss.

<b>17.3.3</b>	Corporate Tax TRN of claimant entity
---------------	--------------------------------------

Enter the UAE Corporate Tax TRN of the entity receiving the Tax Loss.

<b>17.3.4</b>	Amount of Tax Losses transferred
---------------	----------------------------------

Enter the amount transferred to each recipient. The amount of Tax Losses you can transfer is limited to your 'Amount of Tax Losses available for transfer'. The maximum the recipient can receive is 75% of their Taxable Income after utilising their own Tax Losses.<sup>171</sup> If the amount transferred exceeds the amount that can be claimed by the recipient, these Tax Losses will effectively be forfeited.

<b>17.3.5</b>	Amount of Tax Losses carried forward
---------------	--------------------------------------

This is calculated automatically as the difference between the 'Amount of Tax Losses available for transfer' and 'Amount of Tax Losses transferred'.

## B. Tax Losses relating to Tax Groups

### 17.4. Tax Group losses Schedule

This schedule should be completed by a Tax Group. The purpose of the Schedule is to disclose the following:

- pre-Grouping Tax Losses brought into the Tax Group in the Tax Period by Subsidiaries who join the Tax Group in the Tax Period,
- brought forward pre-Grouping Tax Losses of members of the Tax Group and utilisation of such pre-Grouping Tax Loss by the Tax Group in the Tax Period,
- brought forward Tax Losses of the Tax Group,
- utilised Tax Losses during the Tax Period,

<sup>170</sup> Article 37(4) of the Corporate Tax Law.

<sup>171</sup> Article 38(2)(b) of the Corporate Tax Law.



- received Tax Losses from another Taxable Person due to the application of Business Restructuring Relief,
- transferred Tax Losses to another Taxable Person due to the application of Business Restructuring Relief,
- transferred a Tax Loss during the Tax Period under Article 38 of the Corporate Tax Law, or
- has available Tax Losses to carry forward to the subsequent Tax Period.

For further information on Tax Losses in the context of a Tax Group, see [the Corporate Tax Guide on Tax Groups](#).

### 17.5. New Subsidiaries

This part of the schedule should be completed where a new Subsidiary has joined an existing Tax Group in the Tax Period. If no new Subsidiaries have joined during the Tax Period, or if the new Subsidiary does not have any pre-Grouping Tax Losses, this part should be left blank.

<b>17.5.1</b>	Name of the new subsidiary
---------------	----------------------------

Enter the legal name of the new Subsidiary joining the Tax Group.

<b>17.5.2</b>	Corporate Tax TRN of the new Subsidiary
---------------	-----------------------------------------

Select the Corporate Tax TRN from the drop-down list.

<b>17.5.3</b>	Pre-Grouping Tax Losses brought into the Tax Group by the new Subsidiary
---------------	--------------------------------------------------------------------------

Unutilised Tax Losses of a Subsidiary that joins a Tax Group (i.e. pre-Grouping Tax Losses) become carried forward Tax Losses of the Tax Group.<sup>172</sup>

Enter the amount of unutilised Tax Losses of the Subsidiary at the time it joins the Tax Group.

<b>17.5.4</b>	Taxable Income attributable to the new Subsidiary
---------------	---------------------------------------------------

<sup>172</sup> Article 42(3) of the Corporate Tax Law.



Pre-Grouping Tax Losses of a new Subsidiary can be used to offset the Taxable Income of the Tax Group insofar this income is attributable to the new Subsidiary.<sup>173</sup>

Hence, enter the Taxable Income of the new Subsidiary calculated on a standalone basis i.e. as if the Subsidiary was not a member of the Tax Group. This calculation must be performed before completing the Tax Return and is not part of the Tax Return.

## 17.6. Pre-Grouping Tax Loss Schedule

This part should be completed if any of the members of the Tax Group (existing or new) have or had pre-Grouping Tax Losses i.e. unutilised Tax Losses at the time of joining the Tax Group. If none of the members in the Tax Group have pre-Grouping Tax Losses, this part should be left blank.

<b>17.6.1</b>	Name of Subsidiary
---------------	--------------------

In your first Tax Return, this is pre-populated based on data obtained upon the application to form a Tax Group.

In the Tax Return for subsequent Tax Periods, this is pre-populated based on information provided in earlier Tax Returns and new Subsidiary information provided in Section [17.5](#).

<b>17.6.2</b>	Corporate Tax TRN of Subsidiary
---------------	---------------------------------

This is pre-populated based on data obtained at the time of the application to form a Tax Group.

<b>17.6.3</b>	Pre-Grouping Tax Losses brought forward
---------------	-----------------------------------------

In your first Tax Return, you have to provide this information for each member that has a pre-Grouping Tax Loss.

In your subsequent Tax Return, this is pre-populated based on information in previous Tax Returns for existing members. For new Subsidiaries, this is pre-populated based on information provided in Section [17.5](#).

<sup>173</sup> Article 42(3) of the Corporate Tax Law.



<b>17.6.4</b>	Does the Tax Group wish to use Pre-Grouping Tax Losses attributable to this Subsidiary?
---------------	-----------------------------------------------------------------------------------------

A Tax Group must utilise pre-Grouping Tax Losses before Tax Losses of the Tax Group can be utilised.<sup>174</sup> Hence, if you (i.e. the Tax Group) have a Tax Loss in this Tax Period and there are pre-Grouping Tax Losses reported in field **17.6.3**, the answer here must be 'Yes'.

<b>17.6.5</b>	Taxable Income attributable to the Subsidiary
<b>17.6.6</b>	Tax Loss attributable to the Subsidiary

Enter the Taxable Income calculated on a standalone basis i.e. as if the Subsidiary was not a member of the Tax Group. If the calculated amount is positive, enter it in 'Taxable Income attributable to the Subsidiary'. If the calculated amount is negative, enter it in the field for 'Tax Loss attributable to the Subsidiary' as a positive number.

For further details on how to calculate Taxable Income/Tax Loss attributable to the Subsidiary, see the [Corporate Tax Guide on Tax Groups](#).

<b>17.6.7</b>	Pre-Grouping Tax Losses utilised in the current Tax Period
---------------	------------------------------------------------------------

Pre-Grouping Tax Losses can only be offset where the Tax Group has Taxable Income and only insofar as Taxable Income is attributable to the relevant member of the Tax Group.<sup>175</sup> Therefore, utilisation of pre-Grouping Tax Losses requires both:<sup>176</sup>

- the Tax Group to have Taxable Income in this Tax Period (before setting off the Taxable Income against a Tax Loss brought forward from a prior year), and
- Taxable Income that can be attributed to the relevant member of the Tax Group.

Based on the above, enter the amount in respect of pre-Grouping Tax Loss of each member of the Tax Group.

Once you enter the amount for each Subsidiary, the Tax Return automatically calculates the total amount of pre-Grouping Tax Loss that can be utilised by the Tax Group. This amount will be the lower of the following:

- aggregate of standalone amounts entered for all Subsidiaries, and
- 75% of Taxable Income of the Tax Group.

<sup>174</sup> Article 7(2) of Ministerial Decision No. 125 of 2023.

<sup>175</sup> Article 42(3) of the Corporate Tax Law.

<sup>176</sup> Article 7(1) of Ministerial Decision No. 125 of 2023.





If an entry would result in utilisation of more than the permitted amount of pre-Grouping Tax Losses, you will see an error message.

<b>17.6.8</b>	Other adjustments which increase Pre-Grouping Tax Losses
<b>17.6.9</b>	Other adjustments which decrease the Pre-Grouping Tax Losses

Use these fields if you need to adjust the amount of pre-Grouping Tax Losses. For example, because a Subsidiary leaves the Tax Group and as a result, its remaining pre-Grouping Tax Loss goes with it.

<b>17.6.10</b>	Description of the nature of the adjustment
----------------	---------------------------------------------

Describe the reasons for any adjustment to Tax Losses.

<b>17.6.11</b>	Pre-Grouping Tax Losses carried forward
----------------	-----------------------------------------

This is calculated automatically.

## 17.7. Tax Group Tax Losses

This part should be completed if a Tax Group has Tax Losses brought forward from a previous Tax Period or arising in the current Tax Period. If a Tax Group does not have brought forward or current period Tax Losses, this part should be left blank.

<b>17.7.1</b>	Tax Losses brought forward
---------------	----------------------------

In your first Tax Return, this will be nil. In subsequent Tax Returns, this is pre-populated based on Tax Returns for previous Tax Periods.

<b>17.7.2</b>	Tax Loss incurred during the Tax Period
---------------	-----------------------------------------

This is pre-populated from your tax computation of the Tax Period (see Section [10.1](#)). If you have Taxable Income in this Tax Period (and not a Tax Loss), the value here is reported as nil.

<b>17.7.3</b>	Tax Losses received due to the application of Business Restructuring Relief
---------------	-----------------------------------------------------------------------------



Where a Business or independent part of a Business is transferred on a no gain or loss basis under Business Restructuring Relief, unutilised Tax Losses incurred by the Transferor in Tax Periods before the restructuring transaction, can be carried forward and are considered as Tax Losses of the Transferee,<sup>177</sup> provided the Transferee continues to conduct the same or a similar Business or Business Activity as the Transferor conducted before the restructuring transaction.<sup>178</sup>

If you are a Transferee in a business restructuring transaction that is subject to Business Restructuring Relief, enter the relevant amount, if any.

No amount should be entered unless you have answered 'Yes' to the question "Whether the Taxable Person has received a Business or an independent part of a Business during the Tax Period and the Transferor made an election to apply Business Restructuring Relief" (see Section 8.2).

<b>17.7.4</b>	Tax Losses transferred due to the application of Business Restructuring Relief
---------------	--------------------------------------------------------------------------------

Enter the relevant amount (as a positive number), if any, transferred in the current Tax Period by the Tax Group because an election to apply Business Restructuring Relief has been made by the Transferor.

<b>17.7.5</b>	Tax Losses which have been limited due to a change in ownership and change in Business Activity
---------------	-------------------------------------------------------------------------------------------------

In case of a Tax Group, Tax Loss of the Tax Group can be carried forward if the owners of the Parent Company of the Tax Group continuously hold at least 50% ownership from the start of the period in which the Tax Loss is incurred, to the end of the Tax Period in which the Tax Loss is used to offset against Taxable Income (ownership condition).<sup>179</sup> If there is a change in ownership of more than 50%, Tax Losses can still be carried forward provided the same or similar Business is carried on by the Tax Group as a whole (Business continuity condition).<sup>180</sup>

Enter the relevant amount, if the ownership condition and the Business continuity condition fails in respect of unutilised Tax Losses. These conditions do not apply if the Parent Company is listed on a Recognised Stock Exchange.

<sup>177</sup> Article 27(3)(d) of the Corporate Tax Law.

<sup>178</sup> Article 5(1) of Ministerial Decision No. 133 of 2023.

<sup>179</sup> Article 39(1)(a) of the Corporate Tax Law.

<sup>180</sup> Article 39(1)(b) of the Corporate Tax Law.



<b>17.7.6</b>	Other adjustments which increase the Tax Losses of the Tax Group
<b>17.7.7</b>	Other adjustments which decrease the Tax Losses of the Tax Group
<b>17.7.8</b>	Description of the nature of the adjustment

Use these fields if you need to adjust your Tax Losses. Describe the reason(s) for any adjustment to Tax Losses.

<b>17.7.9</b>	Tax Losses utilised in the current Tax Period
---------------	-----------------------------------------------

This is auto-calculated on the basis that:

- the maximum amount of Tax loss that can be utilised is limited to 75% of the Taxable Person's Taxable Income,<sup>181</sup> and
- the unutilised Tax Losses of the Tax Group cannot be used to offset the Taxable Income of the Tax Group insofar this income is attributable to the new Subsidiary.<sup>182</sup>

<b>17.7.10</b>	Tax Losses carried forward available for transfer
----------------	---------------------------------------------------

This is calculated automatically as the balance available after utilising the Tax Loss.

## 17.8. Tax Losses claimed from other Taxable Persons

This part should be completed where a juridical person that is a Resident Person, and who is not a member of the Tax Group, transfers a Tax Loss to the Tax Group as per the conditions of Article 38 of the Corporate Tax Law.

<b>17.8.1</b>	Name of transferring entity
---------------	-----------------------------

Enter the legal name of the entity that has transferred the Tax Loss to you. If this is a Tax Group, enter the name of the Tax Group.

<b>17.8.2</b>	Corporate Tax TRN of transferring entity
---------------	------------------------------------------

Enter the TRN of the entity that has transferred the Tax Loss. If this is a Tax Group, enter the TRN of the Tax Group.

<sup>181</sup> Article 37(2) of the Corporate Tax Law.

<sup>182</sup> Article 42(4) of the Corporate Tax Law.



<b>17.8.3</b>	Amount of Tax Losses claimed
---------------	------------------------------

Enter the amount of the Tax Loss utilised in relation to the Tax Loss that is received from another Resident Person.

You must offset all the pre-Grouping Tax Loss and available Tax Losses of the Tax Group before any transferred Tax Losses can be utilised.<sup>183</sup> The amount of Tax Losses you can claim is limited to 75% of the Taxable Income of the Tax Group, less pre-Grouping Tax Loss utilised in the current Tax Period and any Tax Group Tax Losses utilised in the current Tax Period. If you enter an amount which would result in utilisation of more than the permitted amount of Tax Losses, an error message will appear.

### 17.9. Tax Losses transferred to other Taxable Persons

This part should be completed when a Tax Group transfers Tax Losses to another entity which is a juridical person that is a Resident Person as per the conditions of Article 38 of the Corporate Tax Law.

<b>17.9.1</b>	Amount of Tax Losses available for transfer
---------------	---------------------------------------------

This is pre-populated from field **17.7.10**. Tax Losses can only be transferred to a Taxable Person outside the Tax Group once the Tax Group has utilised them to the fullest extent possible in the Tax Period.

<b>17.9.2</b>	Name of transferring entity
---------------	-----------------------------

Enter the legal name of the claimant entity to which the Tax Group transfers its Tax Loss. If transferring to a Tax Group, enter the name of the Tax Group.

<b>17.9.3</b>	Corporate Tax TRN of transferring entity
---------------	------------------------------------------

Enter the TRN of the claimant entity. If this is a Tax Group, enter the TRN of the Tax Group.

<b>17.9.4</b>	Amount of Tax Losses transferred
---------------	----------------------------------

<sup>183</sup> Article 37(4) of the Corporate Tax Law read with Article 7(4) of Ministerial Decision No. 125 of 2023.



Enter the amount transferred to each claimant (as a positive value). The amount of Tax Losses which can be transferred is limited to the Tax Group's 'Amount of Tax Losses available for transfer'. The maximum the recipient can receive is 75% of their Taxable Income after utilising their own Tax Losses.<sup>184</sup> If the amount transferred exceeds the amount that can be claimed by the recipient, these Tax Losses will effectively be forfeited.

<b>17.9.5</b>	Amount of Tax Losses carried forward
---------------	--------------------------------------

This is calculated automatically as the difference between the 'Amount of Tax Losses available for transfer' and 'Amount of Tax Losses transferred'.

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<sup>184</sup> Article 38(2)(a) and (b) of the Corporate Tax Law.



## 18. Participation Exemption Schedule

This schedule should be completed if you have derived income or losses from a Participation during the Tax Period. The purpose of this schedule is to disclose that all the conditions for the Participation Exemption have been met and to calculate the amount of the adjustment arising by virtue of the application of the Participation Exemption to be applied in the tax computation part of the Tax Return.

Not all the conditions required to qualify for the Participation Exemption have been included in the schedule below and you must ensure that you meet all the relevant conditions before completing the Tax Return.

For further information, see the [Corporate Tax Guide on Exempt Income: Dividends and Participation Exemption](#).

<b>18.1</b>	Name of Participation
-------------	-----------------------

Enter the name of the juridical person in which you hold a Participating Interest.

<b>18.2</b>	Country or jurisdiction of tax residency
-------------	------------------------------------------

Select the country of tax residence of the Participation from the drop-down list. This list includes the UAE.

<b>18.3</b>	Corporate Tax TRN/TIN (if available)
-------------	--------------------------------------

If the Participation is a Resident Person under the Corporate Tax Law, provide its UAE Corporate Tax TRN.

If the Participation is a tax resident of another country, provide its TIN/TRN issued in the foreign jurisdiction, if available.

<b>18.4</b>	Confirm that the entity is resident in a jurisdiction that applies tax on a similar basis to Corporate Tax at a rate of at least 9% or that the entity is subject to tax on income or profits at an effective tax rate of at least 9%.
-------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



If the selection in field **18.2** is 'UAE', this field will not be visible. If the selection in field **18.2** is not 'UAE', then select 'Yes' if the statutory corporate tax rate or effective tax rate in the foreign jurisdiction is at least 9%.<sup>185</sup>

<b>18.5</b>	What is the reason that the entity meets the subject to tax rule?
-------------	-------------------------------------------------------------------

If the answer to question **18.4** is 'No', this question will be visible to you. Provide the reason if the entity is covered under the exception to the subject to tax test.<sup>186</sup>

For further information on the ways this rule can be met, see the relevant section in the [Corporate Tax Guide on Exempt Income: Dividends and Participation Exemption](#).

<b>18.6</b>	Nature of income or loss derived from this Participation
-------------	----------------------------------------------------------

The following income from Participations is exempt under the Participation Exemption:<sup>187</sup>

- Dividends and other profit distributions received from a foreign Participation that is not a Resident Person,
- gains or losses on the transfer, sale or other disposition of a Participating Interest,
- foreign exchange gains or losses in relation to a Participating Interest,
- impairment gains or losses in relation to a Participating Interest.

Select the appropriate nature of income or loss from the drop-down list.

<b>18.7</b>	Amount of income derived from the Participation to be exempted
<b>18.8</b>	Amount of losses derived from the Participation to be exempted

Enter the amount of income/gains or loss to which the Participation Exemption applies. The amount of income/gains should be entered in field **18.7** as a positive number. The amount of loss should be entered in field **18.8** as a positive number.

Do not enter an amount of loss realised on liquidation of a Participation.<sup>188</sup>

<sup>185</sup> Article 6 of Ministerial Decision No. 116 of 2023.

<sup>186</sup> Article 23(3) and (4) of the Corporate Tax Law.

<sup>187</sup> Article 23(5) of the Corporate Tax Law.

<sup>188</sup> Article 23(8) of the Corporate Tax Law.



Include here any Dividends from a Participation declared to you during the Tax Period that were excluded from the values entered in the following fields in the Accounting Adjustments and Exemptions section of the Tax Return (i.e. included in Accounting Income (see Section [7.2](#)):

- Share of profit relating to investments accounted for under the Equity Method of Accounting.
- Share of losses relating to investments accounted for under the Equity Method of Accounting.

<b>18.9</b>	What percentage of ownership interest in the Participation did the Taxable Person and any members of the same Qualifying Group as the Taxable Person hold on the date at which the income or loss was derived from the Participation?
-------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Enter the percentage. If you are a member of a Qualifying Group and other members of the Qualifying Group also hold ownership interests in the same juridical person, enter the aggregate percentage held by all members of the Qualifying Group.<sup>189</sup>

If you are a Tax Group, enter the combined percentage of ownership interests held by all members of the Tax Group as well as ownership interests held by other entities that are not part of the Tax Group but that belong to the same Qualifying Group as any of the members of the Tax Group.

<b>18.10</b>	Historical acquisition cost of the ownership interest held by the Taxable Person and any members of the same Qualifying Group as the Taxable Person?
--------------	------------------------------------------------------------------------------------------------------------------------------------------------------

If less than 5% was entered in field **18.9**, enter the acquisition cost of the ownership interest you hold in the juridical person.

If you are a member of a Qualifying Group, the acquisition costs of ownership interests in the same juridical person held by you and other members of that Qualifying Group are aggregated.<sup>190</sup>

If you are a Tax Group, provide the aggregate acquisition cost of ownership interests held by all members of the Tax Group as well as entities who are not part of the Tax Group, but are a member of a Qualifying Group with any of the members of the Tax Group.

<sup>189</sup> Article 3(1)(b) of Ministerial Decision No. 116 of 2023.

<sup>190</sup> Article 3(2) of Ministerial Decision No. 116 of 2023.





You will see a message if the percentage of ownership interest is below 5%, or the acquisition cost entered here is less than AED 4 million to caution you that in this situation the Participation Exemption is not available.

<b>18.11</b>	Date at which the income or loss was derived from the Participation
--------------	---------------------------------------------------------------------

Select the relevant date.

<b>18.12</b>	Did the Taxable Person hold the minimum ownership interest (5% of share capital or at least AED 4m acquisition cost) for an uninterrupted period of 12 months prior to deriving the income / loss?
--------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

<b>18.13</b>	Does the Taxable Person intend to hold the ownership interest in the Participation for an uninterrupted period of 12 months?
--------------	------------------------------------------------------------------------------------------------------------------------------

If your answer to question **18.12** is 'No', answer this 'Yes' or 'No' as appropriate.

If you answer 'No' to this question, you will see a message cautioning you that in this situation the Participation Exemption is not available.

<b>18.14</b>	Were all the other conditions for the Participation Exemption to apply met in respect of this income/loss?
--------------	------------------------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

Note that a Participation Exemption shall not apply for a period of 2 years where a Participation was acquired in exchange for the transfer of an ownership interest that:<sup>191</sup>

- did not meet the conditions for the Participation Exemption, or
- was acquired pursuant to a transfer that was exempted under the relief for transfers within a Qualifying Group or Business Restructuring Relief.

Also note that if you are a Resident Person with a foreign Permanent Establishment and have utilised a Tax Loss incurred in that Foreign Permanent Establishment in the

<sup>191</sup> Article 23(9) of the Corporate Tax Law.



prior Tax Period, but Foreign Permanent Establishment is incorporated into a Participation before the previously utilised Tax Loss is fully offset, any Dividends or other income arising upon or following incorporation of the Foreign Permanent Establishment cannot benefit from the Participation Exemption until such income offsets the entirety of the previously utilised Tax Loss.<sup>192</sup>

If you answer 'No' to this question, you will see a message cautioning you that in this situation the Participation Exemption is not available.

<b>18.15</b>	Was any other income or loss derived from this Participation?
--------------	---------------------------------------------------------------

Responding 'Yes' will prompt the system to repeat the questions starting from the nature of the income derived from the Participation, so you can enter the details for other types of income/loss.

<b>18.16</b>	Did the Taxable Person derive any other income or losses from other Participation(s)?
--------------	---------------------------------------------------------------------------------------

Responding 'Yes' will prompt the system to repeat the questions starting from the name of the Participation so that you can enter details of income/losses from another Participation.

<b>18.17</b>	Total amount of income / (losses) received from Participating Interests
--------------	-------------------------------------------------------------------------

This is calculated automatically.

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<sup>192</sup> Article 13(2) of Ministerial Decision No. 116 of 2023.



## 19. Interest capping Schedules

### 19.1. General Interest Deduction Limitation

This schedule helps you to determine the Net Interest Expenditure that is deductible from your Taxable Income.

This schedule does not calculate your Net Interest Expenditure subject to the General Interest Deduction Limitation Rule in the current Tax Period. You must calculate your Net Interest Expenditure based on the definition of Interest as set out in Ministerial Decision No. 126 of 2023.

If you are an investor in a Qualifying Investment Fund, when calculating the Net Interest Expenditure, you must also take into account any net interest income attributed to you from a Qualifying Investment Fund (see Section [9.4](#)).

This Schedule does not apply to you if you are any of the following:<sup>193</sup>

- a Bank,
- an Insurance Provider, or
- a natural person undertaking a Business or Business Activity in the UAE.

If you are a Tax Group, where a member of a Tax Group is a Bank or Insurance Provider, Net Interest Expenditure attributable to such member should be excluded.<sup>194</sup>

For further information about the General Interest Deduction Limitation Rule, see [the Corporate Tax Guide on Determination of Taxable Income](#). For further information on how the rule applies to Tax Groups, see [the Corporate Tax Guide on Tax Groups](#).

### 19.2. General

This part of the schedule applies to both a single entity and a Tax Group.

<b>19.2.1</b>	Total Interest expenditure subject to the General Interest Deduction Limitation Rule in the current Tax Period
---------------	----------------------------------------------------------------------------------------------------------------

Enter your total Interest expenditure with the exception of any Interest expenditure in relation to:

<sup>193</sup> Article 30(6) of the Corporate Tax Law.

<sup>194</sup> Article 12(5) of Ministerial Decision No. 126 of 2023.



- debt instruments or other liabilities for which terms were agreed prior to 9 December 2022,<sup>195</sup> and
- Qualifying Infrastructure Projects.<sup>196</sup>

In addition, Interest expenditure disallowed under any other provision of the Corporate Tax Law must be excluded from the calculation of Net Interest Expenditure.<sup>197</sup> This includes Interest expenditure that is subject to the Specific Interest Deduction Limitation Rule.

<b>19.2.2</b>	Total Interest income subject to the General Interest Deduction Limitation Rule in the current Tax Period
---------------	-----------------------------------------------------------------------------------------------------------

Enter your total Interest income with the exception of any Interest in relation to:

- debt instruments or other liabilities for which terms were agreed prior to 9 December 2022,<sup>198</sup> and
- Qualifying Infrastructure Projects.<sup>199</sup>

<b>19.2.3</b>	Disallowed Net Interest Expenditure brought forward
---------------	-----------------------------------------------------

This is pre-populated based on disallowed Net Interest Expenditure carried forward in your prior year Tax Return, but the field is editable.

If this is your first Tax Period, this box will be pre-populated as nil.

<b>19.2.4</b>	Net Interest Expenditure subject to the General Interest Deduction Limitation Rule
---------------	------------------------------------------------------------------------------------

This is automatically calculated based on the figures in the fields **19.2.1**, **19.2.2** and **19.2.3**.

<b>19.2.5</b>	Adjusted EBITDA
---------------	-----------------

You must enter the amount of your adjusted EBITDA as calculated in terms of Ministerial Decision No. 126 of 2023.

<sup>195</sup> Article 11 of Ministerial Decision No. 126 of 2023.

<sup>196</sup> Article 14 of Ministerial Decision No. 126 of 2023.

<sup>197</sup> Article 30(5) of the Corporate Tax Law.

<sup>198</sup> Article 11 of Ministerial Decision No. 126 of 2023.

<sup>199</sup> Article 14 of Ministerial Decision No. 126 of 2023.



For the purposes of the General Interest Deduction Limitation Rule, EBITDA for a Tax Period is the Taxable Income calculated in accordance with the general rules for determining Taxable Income.<sup>200</sup> This means that all adjustments to arrive at Taxable Income are required to be made except for adjustments in relation to the General Interest Deduction Limitation Rule and Tax Loss relief provisions.

Such Taxable Income or loss, (before the General Interest Deduction Limitation Rule and Tax Loss relief), is required to be increased by the following, to arrive at the “adjusted EBITDA” for the purposes of the General Interest Deduction Limitation Rule:<sup>201</sup>

- Net Interest Expenditure for the relevant Tax Period,
- depreciation and amortisation expenditure taken into account in determining the Taxable Income for the relevant Tax Period,
- any Interest expenditure (minus Interest income) relating to historical financial assets or liabilities held prior to 9 December 2022, and
- any Interest expenditure (minus Interest income) relating to Qualifying Infrastructure Projects.

If the adjusted EBITDA as per the above results in a negative amount, then the adjusted EBITDA will be ‘0’.<sup>202</sup>

<b>19.2.6</b>	<b>General Interest Deduction limit</b>
---------------	-----------------------------------------

This is the maximum amount of Net Interest Expenditure which may be deducted in the current Tax Period. The Taxable Person may deduct Net Interest Expenditure up to the higher of AED 12 million or 30% of EBITDA calculated in accordance with Ministerial Decision No. 126 of 2023.<sup>203</sup> This amount is calculated automatically based on this limit.

<b>19.2.7</b>	<b>Deductible Net Interest Expenditure</b>
---------------	--------------------------------------------

Where Net Interest Expenditure is below the general Interest deduction limit (i.e. the amount calculated in the field **19.2.6**), the Taxable Person may deduct its Net Interest Expenditure in full. This is calculated automatically based on this limit.

<b>19.2.8</b>	<b>Disallowed Net Interest Expenditure incurred in the current Tax Period</b>
---------------	-------------------------------------------------------------------------------

<sup>200</sup> Article 20 of the Corporate Tax Law.

<sup>201</sup> Article 9(1) and (2) of Ministerial Decision No. 126 of 2023.

<sup>202</sup> Article 9(1) of Ministerial Decision No. 126 of 2023.

<sup>203</sup> Article 8(2) of Ministerial Decision No. 126 of 2023.



This is calculated automatically. If the resulting amount is negative, this box will be pre-populated as '0'.

<b>19.2.9</b>	Brought forward Net Interest Expenditure deducted in the current Tax Period
---------------	-----------------------------------------------------------------------------

This is calculated automatically. This amount represents previously disallowed Net Interest Expenditure brought forward which was deducted in the current Tax Period. Net Interest Expenditure disallowed is deducted in the order in which it arose (i.e. earliest first, or 'first in, first out').<sup>204</sup>

A. Non-deductible Net Interest Expenditure relating to a single entity (i.e. not Tax Group)

This part calculates the non-deductible Net Interest Expenditure which can be carried forward to the subsequent Tax Period. If you are a Tax Group, you are not required to complete this part of the schedule, instead refer to [Section 19.4](#).

### 19.3. Single Entity

<b>19.3.1</b>	Disallowed Net Interest Expenditure brought forward
---------------	-----------------------------------------------------

This is pre-populated based on disallowed Net Interest Expenditure carried forward in your prior year Tax Return. If this is your first Tax Period, this box will be pre-populated as '0'.

<b>19.3.2</b>	Disallowed Net Interest Expenditure in the current Tax Period
<b>19.3.3</b>	Brought forward Net Interest Expenditure deducted in the current Tax Period

The figures calculated in fields **19.2.8** and **19.2.9** are pre-populated here.

<b>19.3.4</b>	Disallowed Net Interest Expenditure which has expired in the current Tax Period
---------------	---------------------------------------------------------------------------------

Enter the amount of your Net Interest Expenditure which was disallowed more than 10 Tax Periods ago and which has not been entered in this box in a Tax Return for a previous Tax Period. This will not be relevant until after your tenth Tax Period.

<sup>204</sup> Article 30(4) of the Corporate Tax Law.



<b>19.3.5</b>	Other adjustments that increase disallowed Net Interest Expenditure
<b>19.3.6</b>	Other adjustments that decrease disallowed Net Interest Expenditure

Use these fields if you need to make an adjustment. If no adjustment is required leave these fields blank or input '0' into these fields.

<b>19.3.7</b>	Description of the nature of the adjustment
---------------	---------------------------------------------

Describe the reason(s) for any adjustments, if applicable.

<b>19.3.8</b>	Disallowed Net Interest Expenditure carried forward
---------------	-----------------------------------------------------

This is calculated automatically.

#### B. Non-deductible Net Interest Expenditure relating to a Tax Group

This part calculates the non-deductible Net Interest Expenditure which can be carried forward by a Tax Group to the subsequent Tax Period. If you are not a Tax Group, you are not required to complete this part of the schedule, instead refer to Section [19.3](#).

#### 19.4. Tax Group

This part calculates the non-deductible Net Interest Expenditure to be carried forward to a subsequent Tax Period.

<b>19.4.1</b>	Disallowed Interest Expenditure brought forward
---------------	-------------------------------------------------

This is pre-populated based on disallowed Net Interest Expenditure carried forward in your prior year Tax Return. If this is your first Tax Period, this box will be pre-populated as '0'.

<b>19.4.2</b>	Disallowed Net Interest Expenditure in the current Tax Period
---------------	---------------------------------------------------------------

The figure calculated in field **19.2.8** is pre-populated here.

<b>19.4.3</b>	Brought forward Net Interest Expenditure utilised in the current Tax Period
---------------	-----------------------------------------------------------------------------



The amount entered as 'Brought forward Net Interest Expenditure deducted in the current Tax Period' in field **19.2.9** will be automatically reflected here.

<b>19.4.4</b>	Disallowed Net Interest Expenditure which has expired in the current Tax Period
---------------	---------------------------------------------------------------------------------

Enter the amount of the Tax Group's Net Interest Expenditure which was disallowed more than 10 Tax Periods ago and which has not been entered in this box in a Tax Return for a previous Tax Period.<sup>205</sup> This will only be potentially relevant after the Taxable Person's tenth Tax Period.

<b>19.4.5</b>	Other adjustments that increase disallowed Net Interest Expenditure
<b>19.4.6</b>	Other adjustments that decrease disallowed Net Interest Expenditure
<b>19.4.7</b>	Description of the nature of the adjustment

Only use these fields if you need to make an adjustment. If you make an adjustment, describe the reason(s) for any adjustments. If no adjustment is required, leave these fields blank or populate with '0'.

<b>19.4.8</b>	Disallowed Net Interest Expenditure carried forward
---------------	-----------------------------------------------------

This is calculated automatically. If the Tax Group ceases to exist, the disallowed Net Interest Expenditure of the Tax Group will be carried forward by the Parent Company unless the Parent Company also ceases to exist, in which case the disallowed Net Interest Expenditure of the Tax Group will be forfeit.<sup>206</sup>

## 19.5. Pre-Grouping non-deductible Net Interest Expenditure

This part should be completed if any of the members of the Tax Group (existing or new) have Net Interest Expenditure which was disallowed prior to joining the Tax Group and is still carried forward (i.e. pre-Grouping Net Interest Expenditure). If none of the members of the Tax Group have pre-Grouping Net Interest Expenditure, this part should be left blank.

<b>19.5.1</b>	Name of member
---------------	----------------

<sup>205</sup> Article 30(4) of the Corporate Tax Law.

<sup>206</sup> Article 12(3) of Ministerial Decision No. 126 of 2023.





Enter the name of the member of the Tax Group which has pre-Grouping Net Interest Expenditure.

<b>19.5.2</b>	Corporate Tax TRN of member
---------------	-----------------------------

Enter the TRN of the member of the Tax Group.

<b>19.5.3</b>	Pre-Grouping Net Interest Expenditure brought forward
---------------	-------------------------------------------------------

This is pre-populated based on 'Pre-Grouping interest expenditure carried forward' in the prior year Tax Return, however the field is editable.

<b>19.5.4</b>	Disallowed pre-Grouping Net Interest Expenditure brought into the Tax Group by a new Subsidiary
---------------	-------------------------------------------------------------------------------------------------

Enter the amount of pre-Grouping Net Interest Expenditure brought into the Tax Group by a Subsidiary which has joined the Tax Group in this Tax Period.<sup>207</sup>

<b>19.5.5</b>	Does the Tax Group wish to use pre-Grouping Net Interest Expenditure attributable to this Subsidiary
---------------	------------------------------------------------------------------------------------------------------

Enter 'Yes' or 'No' as appropriate. If a Tax Group has unutilised Net Interest Expenditure and its members also have pre-Grouping Net Interest Expenditure, the Net Interest Expenditure should be utilised in the order in which the amount was incurred.<sup>208</sup>

<b>19.5.6</b>	Taxable Income attributable to the member
<b>19.5.7</b>	Tax Loss attributable to the member

Enter the Taxable Income calculated on a standalone basis i.e., as if it was not a member of the Tax Group. If the amount is positive, enter it in the field 'Taxable Income attributable to the member'. If the amount is negative, enter it as a positive number in the field 'Tax Loss attributable to the member'.

For further details on how to calculate Taxable Income/Tax Loss attributable to the Subsidiary, see [Corporate Tax Guide on Tax Groups](#).

<sup>207</sup> Article 12(1) of Ministerial Decision No. 126 of 2023.

<sup>208</sup> Article 30(4) of the Corporate Tax Law.



**19.5.8**

Pre-Grouping Net Interest Expenditure brought forward which has been utilised in the current Tax Period

Enter the amounts for each member. The amount of pre-Grouping Net Interest Expenditure of a member of a Tax Group can be utilised only to the extent there is Taxable Income attributable to that member in the Tax Period.<sup>209</sup> Hence, you will not be allowed to enter an amount for a member, if that member has an attributable Tax Loss or an amount that exceeds Taxable Income attributable to the member.

The utilisation of the pre-Grouping Net Interest Expenditure would be possible to the extent both:<sup>210</sup>

- current Net Interest Expenditure of the Tax Group is less than 30% of the Tax Group's EBITDA (or AED 12 million, if higher), and
- the relevant member, to which the pre-Grouping Net Interest Expenditure belongs, has sufficient Taxable Income in the current Tax Period.

**19.5.9**

Pre-Grouping Net Interest Expenditure which has expired in the current Tax Period

Enter the amount of Net Interest Expenditure which was disallowed more than 10 Tax Periods ago and which has not been entered in this box in a Tax Return for a previous Tax Period.<sup>211</sup>

**19.5.10**

Other adjustments that increase Pre-Grouping Net Interest Expenditure

**19.5.11**

Other adjustments that decrease Pre-Grouping Net Interest Expenditure

Use these fields if you need to make an adjustment. For example, in relation to the pre-Grouping Net Interest Expenditure of a member leaving the Tax Group. If no adjustment is required, leave these fields blank or populate with '0'.

**19.5.12**

Description of the nature of the adjustment

Describe the reason(s) for any adjustments, if applicable.

**19.5.13**

Pre-Grouping Net Interest Expenditure carried forward

<sup>209</sup> Article 12(1) of Ministerial Decision No. 126 of 2023.

<sup>210</sup> Article 12(1) of Ministerial Decision No. 126 of 2023.

<sup>211</sup> Article 30(4) of the Corporate Tax Law.

This is calculated automatically.



## 20. Tax Relief Schedules

### A. Transfers within a Qualifying Group Schedule

#### 20.1. Transfers within Qualifying Group

This schedule should be completed if, in the current Tax Period you were a Transferor or Transferee in a transfer within a Qualifying Group and an election for relief under Article 26 of the Corporate Tax Law was made by the Transferor in the current or a prior Tax Period.

This schedule should also be completed if you were a Transferor or Transferee in a transfer within a Qualifying Group that took place in a previous Tax Period which was subject to relief under Article 26 of the Corporate Tax Law, but the relief is clawed back in the current Tax Period.

Provide information for each transfer separately.

The purpose of this schedule is to:

- calculate the amount of gain or loss derived by the Transferor but is not taxable by virtue of the relief for transfers within a Qualifying Group, and
- calculate the gain or loss on clawback of the relief which is taxable in the hands of Transferor (or the Transferee where the Transferor has ceased to be a Taxable Person).

The adjustments to be made by the Transferee in its Taxable Income to give effect to the relief for transfers within a Qualifying Group (as provided under Article 4 of Ministerial Decision No. 134 of 2023) or clawback of the relief is not covered under this Schedule. These adjustments are to be reported in Section [8.1](#).

For further information on this relief, see the [Corporate Tax Guide on Qualifying Group Relief](#).

#### 20.2. Transfers that occurred in the current Tax Period

<b>20.2.1</b>	Transaction Counterparty name
---------------	-------------------------------

Enter the name of the other party to the transfer.

<b>20.2.2</b>	Transaction Counterparty Corporate Tax TRN
---------------	--------------------------------------------



Enter the TRN of the other party.

<b>20.2.3</b>	Is the Taxable Person the Transferor or Transferee?
---------------	-----------------------------------------------------

Select from the dropdown list whether you are the Transferor or Transferee.

<b>20.2.4</b>	Proceeds arising from the transfer of the asset or liability
---------------	--------------------------------------------------------------

You have to provide the proceeds from the transfer of the asset or liability, regardless of whether you are the Transferor or the Transferee.

Enter the total consideration received, converted to AED if the transaction was in another currency. This input is necessary to keep a record of, and verify the gain or loss, which must be disregarded when there is a transfer within a Qualifying Group.

<b>20.2.5</b>	Net book value of the asset or liability at the date of transfer
---------------	------------------------------------------------------------------

This field will be visible if you are a Transferor. Enter the net book value of the transferred asset or liability as reflected for accounting purposes on the date of transfer.

<b>20.2.6</b>	Date of transfer
---------------	------------------

This field will be visible if you are a Transferor. Enter the date of transfer. This should be consistent with the date of transfer recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if eligible).

<b>20.2.7</b>	Was a gain or a loss recognised in the Financial Statements in respect of the transfer?
---------------	-----------------------------------------------------------------------------------------

This question will be visible if you are a Transferor. Select from the dropdown list.

<b>20.2.8</b>	Gain on the transfer recognised in the Financial Statements
<b>20.2.9</b>	Loss on the transfer recognised in the Financial Statements

This field will be visible if you are a Transferor. Enter the amount in the relevant field. The amount entered here is populated in Section [8.1](#) and will result in an adjustment to your Taxable Income.



### 20.3. Transfers that occurred in a previous Tax Period that must be adjusted in the current Tax Period

This part of the schedule should be completed where the relief for transfers within a Qualifying Group is clawed back in the current Tax Period. The relief for transfers within the Qualifying Group is clawed back if, within 2 years from the date of initial transfer, any of the following occurs:<sup>212</sup>

- there has been a subsequent transfer of assets or liabilities outside the Qualifying Group, or
- the Transferor or Transferee cease to be members of the same Qualifying Group.

<b>20.3.1</b>	Transaction Counterparty name
---------------	-------------------------------

Enter the name of the other party to the transfer.

<b>20.3.2</b>	Transaction Counterparty Corporate Tax TRN
---------------	--------------------------------------------

Enter the TRN of the other party.

<b>20.3.3</b>	Was the Taxable Person the Transferor or Transferee when this transaction took place?
---------------	---------------------------------------------------------------------------------------

Select from the dropdown list whether you were the Transferor or Transferee.

<b>20.3.4</b>	Is the Transferor still a Taxable Person?
---------------	-------------------------------------------

Answer 'Yes' or 'No' as applicable.

<b>20.3.5</b>	Market Value of the asset or liability when the transfer took place
---------------	---------------------------------------------------------------------

Enter the amount (as at the date of the original transfer).

<b>20.3.6</b>	Date of original transfer
---------------	---------------------------

Enter the date. This should be consistent with the date of original transfer as recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if applicable).

<sup>212</sup> Article 26(4) of the Corporate Tax Law.



<b>20.3.7</b>	Gains recognised in the current Tax Period as a result of the clawback
<b>20.3.8</b>	Losses recognised in the current Tax Period as a result of the clawback

Enter the amount of gain or loss that was previously excluded from Corporate Tax as a result of applying the relief for transfers within a Qualifying Group, as if the original transfer had taken place at Market Value on the date of the original transfer.<sup>213</sup>

If you are a Transferor, this amount will be included in your Taxable Income for the current Tax Period. If you are a Transferee, this amount will be included in your Taxable Income for the current Tax Period, only if the Transferor has ceased to be a Taxable Person.<sup>214</sup>

## B. Business Restructuring Relief Schedule

### 20.4. Business Restructuring Relief

This schedule should be completed if in the current Tax Period you were a Transferor or Transferee in a Business restructuring transaction for which an election was made to apply Business Restructuring Relief. This schedule should also be completed if you were a Transferor or Transferee in such a transaction in a previous Tax Period and the relief is clawed back in the current Tax Period.

The purpose of this schedule is to:

- calculate the amount of gain or loss derived by the Transferor but is not taxable by virtue of the application of Business Restructuring Relief, or
- calculate the gain or loss on clawback of the relief which is taxable in the hands of the Transferor (or the Transferee where the Transferor has ceased to be a Taxable Person or the Transferor is a natural person).

The adjustments to be made by the Transferee in its Taxable Income to give effect to the Business Restructuring Relief (as provided under Article 5 of Ministerial Decision No. 134 of 2023) or clawback of the relief is not covered under this schedule. These adjustments are to be reported in Section [8.2](#).

*For further information on this relief, see the [Corporate Tax Guide on Business Restructuring Relief](#).*

<sup>213</sup> Article 26(5) of the Corporate Tax Law.

<sup>214</sup> Article 5(2) of Ministerial Decision No. 132 of 2023.



## 20.5. Transactions that occurred in the current Tax Period

<b>20.5.1</b>	Transaction Counterparty name
---------------	-------------------------------

Enter the name of the other party to the transaction.

<b>20.5.2</b>	Transaction Counterparty Corporate Tax TRN
---------------	--------------------------------------------

Enter the TRN of the other party.

<b>20.5.3</b>	Is the Taxable Person the Transferor or Transferee?
---------------	-----------------------------------------------------

Select from the dropdown list whether you are the Transferor or Transferee.

<b>20.5.4</b>	Proceeds arising from the transfer of the Business
---------------	----------------------------------------------------

You are required to provide the proceeds on the transfer of the Business, regardless of whether you are the Transferor or Transferee.

Enter the total consideration received, converted to AED if the transaction was in foreign currency. This input is necessary to keep a record of, and verify the gain or loss, which must be disregarded when there is a Business Restructuring Relief.

<b>20.5.5</b>	Net book value of the assets and liabilities of the Business at the date of transfer
---------------	--------------------------------------------------------------------------------------

This field will be visible if you are a Transferor. Enter the aggregate net book value of the transferred assets and/ or liabilities as reflected in your Financial Statements.

For record-keeping purposes, the net book value of each asset and liability respectively, should be retained by the Taxable Person.

<b>20.5.6</b>	Date of transfer
---------------	------------------

This field will be visible if you are a Transferor. Enter the date. This should be consistent with the date of transfer recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if applicable).





<b>20.5.7</b>	Was a gain or a loss recognised in the Financial Statements in respect of the transfer?
---------------	-----------------------------------------------------------------------------------------

This question will be visible if you are a Transferor. Select from the dropdown list.

<b>20.5.8</b>	Gain on the transfer recognised in the Financial Statements
<b>20.5.9</b>	Loss on the transfer recognised in the Financial Statements

This field will be visible if you are a Transferor. Enter the amount in the relevant field. This amount entered here is populated in Section [8.2](#) and will result in an adjustment in the determination of your Taxable Income.

## 20.6. Transactions that occurred in a previous Tax Period that must be adjusted in the current Tax Period

This part of the schedule should be completed where the Business Restructuring Relief is clawed back in the current Tax Period. The Business Restructuring Relief is clawed back if, within 2 years from the date of initial transfer, any of the following occurs:<sup>215</sup>

- the shares or other ownership interests in the Taxable Person that is the Transferor or the Transferee are sold, transferred or otherwise disposed of, in whole or part, to a Person that is not a member of the Qualifying Group to which the relevant Taxable Person belongs, or
- there is a subsequent transfer or disposal of the transferred Business or the independent part of the Business.

<b>20.6.1</b>	Transaction Counterparty name
---------------	-------------------------------

Enter the name of the other party to the transfer.

<b>20.6.2</b>	Transaction Counterparty Corporate Tax TRN
---------------	--------------------------------------------

Enter the TRN of the other party.

<b>20.6.3</b>	Was the Taxable Person the Transferor or Transferee when this transaction took place?
---------------	---------------------------------------------------------------------------------------

<sup>215</sup> Article 27(6) of the Corporate Tax Law.



Select from the dropdown list whether you are the Transferor or Transferee.

<b>20.6.4</b>	Is the Transferor a natural person or still a Taxable Person?
---------------	---------------------------------------------------------------

Answer 'Yes' or 'No' as applicable.

<b>20.6.5</b>	Market Value of the assets and liabilities of the Business when the transfer took place
---------------	-----------------------------------------------------------------------------------------

Enter the Market Value of the Business or independent part of the Business as at the date of the transfer (as at the date of the original transaction).

<b>20.6.6</b>	Date of original transfer
---------------	---------------------------

Enter the date. This should be consistent with the date of transfer recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if applicable).

<b>20.6.7</b>	Gains recognised in the current Tax Period as a result of the clawback
<b>20.6.8</b>	Losses recognised in the current Tax Period as a result of the clawback

Enter the amount of gain or loss that was previously excluded from Corporate Tax as a result of Business Restructuring Relief, as if the original transaction had taken place at Market Value on the date of the original transaction.<sup>216</sup>

If you are a Transferor, this amount will be included in your Taxable Income for the current Tax Period. If you are a Transferee, this amount will be included in your Taxable Income for the current Tax Period, only if the Transferor has ceased to be a Taxable Person or if the Transferor is a natural person.<sup>217</sup>

<sup>216</sup> Article 27(7) of the Corporate Tax Law.

<sup>217</sup> Article 8(2) of Ministerial Decision No. 133 of 2023.



## 21. Transitional Rules Schedules

The Transitional Rules Schedules apply where the Taxable Person (or in certain circumstances, another person) has met all the conditions for, and has elected for the application of the transitional rules as per Ministerial Decision No 120 of 2023, and includes the following schedules:

- transitional rules in relation to Qualifying Immovable Property;
- transitional rules in relation to Qualifying Intangible Assets; and
- transitional rules in relation to Qualifying Financial Assets or Liabilities.

### A. Qualifying Immovable Property Schedule

This schedule should be completed in your first Tax Period if you have made the election to exclude an element of the gain which may arise in respect of Qualifying Immovable Property owned prior to your first Tax Period, in terms of the transitional rules.

This schedule must be completed regardless of whether you have actually disposed of the relevant Immovable Property in the Tax Period. However, it will only result in an adjustment in the tax computation part of the Tax Return in a Tax Period in which a relevant asset is disposed of by you.

For further information on this transitional adjustment, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

#### 21.1. Schedule of Qualifying Immovable Properties subject to the election

This part is only completed in the Tax Return for your first Tax Period or when an asset is transferred within a Qualifying Group or transferred between members of a Tax Group. In this part each property must be disclosed separately.

<b>21.1.1</b>	Address of the Qualifying Immovable Property
---------------	----------------------------------------------

Provide the detailed address i.e. street, area, city, Emirate.

<b>21.1.2</b>	Makani Number
---------------	---------------

Provide this (if available), for example the Makani number in Dubai or Onwani in Abu Dhabi.



<b>21.1.3</b>	<b>Date of ownership</b>
---------------	--------------------------

Enter the date you acquired each Qualifying Immovable Property. The date format is presented with a pre-populated calendar. Based on your preference, you may either input the date or select from the calendar.

The date of ownership can be impacted if you are a Tax Group or if you are a member of a Qualifying Group. In this regard the following should be noted:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the date when the Qualifying Immovable Property was first owned by a member of the Tax Group before Corporate Tax was effective.<sup>218</sup>
- If you are a Tax Group that formed other than in the first Tax Period following the introduction of Corporate Tax, enter the date the Qualifying Immovable Property was first owned by a member of the Tax Group which made the election in its own capacity before joining the Tax Group.
- If you are a member of a Qualifying Group, enter the date when the Qualifying Immovable Property was first owned by you or any Person with whom you are in a Qualifying Group before the Corporate Tax was effective.<sup>219</sup>

<b>21.1.4</b>	<b>Original cost on commencement of the first Tax Period</b>
---------------	--------------------------------------------------------------

Enter the original purchase or the acquisition cost of the Qualifying Immovable Property.

In relation to a Tax Group or Qualifying Group the following should be noted:

- If you are a Tax Group (formed in the first Tax Period following the introduction of Corporate Tax) or are a member of a Qualifying Group, enter the original purchase or acquisition cost recorded in the balance sheet by the first owner of the asset in the Tax Group, or Qualifying Group, as the case may be, before the Corporate Tax was effective.
- If you are a Tax Group that formed other than in the first Tax Period following introduction of the Corporate Tax, enter the original purchase or acquisition cost recorded in the balance sheet by the member of the Tax Group which held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

<b>21.1.5</b>	<b>Net book value on commencement of the first Tax Period</b>
---------------	---------------------------------------------------------------

<sup>218</sup> Article 5 of Ministerial Decision No. 120 of 2023.

<sup>219</sup> Article 5 of Ministerial Decision No. 120 of 2023.



This refers to the opening balance (net book value) of the Qualifying Immovable Property per the Taxable Persons' financial Statements in relation to its first Tax Period.

In relation to a Tax Group the following should be noted:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the value recorded in the opening balance sheet of the Tax Group.
- If you are a Tax Group that formed other than in the first Tax Period following introduction of the Corporate Tax, enter the net book value recorded in the opening balance sheet by the member of the Tax Group who held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

In relation to a member of a Qualifying Group, the following should be noted:

- If you are a member of a Qualifying Group, enter the value recorded in the opening balance sheet by the member of the Qualifying Group who held the asset at the start of its first Tax Period.

## 21.2. Schedule of Qualifying Immovable Properties that have been disposed of during the Tax Period

Complete this part when you dispose of, or are deemed to dispose of, a property which is subject to the election.

<b>21.2.1</b>	Address of the Qualifying Immovable Property
---------------	----------------------------------------------

Select from the drop-down list.

<b>21.2.2</b>	Makani Number
---------------	---------------

Enter if available/known.

<b>21.2.3</b>	Date of ownership
---------------	-------------------

This box may be pre-populated based on the information you have provided in your Tax Return for the first Tax Period. However, if the date is not already present, enter the date manually. See the comments under 'Date of ownership' in the previous section, 'Schedule of Qualifying Immovable Properties subject to the election' (see Section [21.1](#)).



<b>21.2.4</b>	Date of sale
---------------	--------------

Enter the date of the sale. This should be consistent with the date recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if applicable).

<b>21.2.5</b>	Original cost on commencement of the first Tax Period
---------------	-------------------------------------------------------

This box may be pre-populated based on the information you have provided in your Tax Return for the first Tax Period. However, if not reflected here enter the cost manually. See the comments under 'Original cost on commencement of the first Tax Period' in the previous section, 'Schedule of Qualifying Immovable Properties subject to the election' (see Section [21.1](#)).

<b>21.2.6</b>	Net book value on commencement of the first Tax Period
---------------	--------------------------------------------------------

This box may be pre-populated based on the information you have provided in your Tax Return for the first Tax Period. However, if not reflected here enter the net book value manually. See the comments under 'Net book value on commencement of the first Tax Period' in the previous section, 'Schedule of Qualifying Immovable Properties subject to the election' (see Section [21.1](#)).

<b>21.2.7</b>	Was the Qualifying Immovable Property transferred and Business Restructuring relief or relief for transfers within a Qualifying Group was applied?
---------------	----------------------------------------------------------------------------------------------------------------------------------------------------

This question is relevant if you are a Transferor in relation to a transaction in respect of which Qualifying Immovable Property was transferred and Qualifying Group relief or Business Restructuring Relief was elected in relation to such transfer. If you answer yes, fields **21.2.10** to **21.2.15** will not be applicable.

<b>21.2.8</b>	Name of transacting party
---------------	---------------------------

<b>21.2.9</b>	Transaction counterparty Corporate Tax TRN
---------------	--------------------------------------------

Provide the name and the TRN of the Transferee to whom the Qualifying Intangible Asset was transferred as part of a Qualifying Group or Business Restructuring Relief transaction.

<b>21.2.10</b>	Method of adjustment
----------------	----------------------



In relation to Qualifying Immovable Property, there are 2 methods to compute the excluded gains under transitional rules - valuation method and time apportionment method.<sup>220</sup> Select the relevant method that you have used to compute the excluded gain.

<b>21.2.11</b>	Market Value of the Qualifying Immovable Property on commencement of first Tax Period
----------------	---------------------------------------------------------------------------------------

If you have elected the valuation method, enter the Market Value of the Qualifying Immovable Property at the start of your first Tax Period. The Market Value is determined by the relevant government competent authority in the UAE such as the Department of Municipalities and Transport (DMA) in Abu Dhabi, the Dubai Land Department (DLD) in Dubai, or similar authorities for each Emirate. It may also be determined by outsourced third parties authorised by the government competent authority.

In relation to a Tax Group, the following should be noted:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the Market Value of the Qualifying Immovable property at the start of your first Tax Period.
- However, if you are a Tax Group that was formed other than in the first Tax Period following introduction of the Corporate Tax, enter the Market Value of the Qualifying Immovable Property at the start of the first Tax Period of the member of the Tax Group who held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

If you are a member of a Qualifying Group, enter the Market Value of the Qualifying Immovable Property at the start of the first Tax Period of the member of the Qualifying Group who first held the asset at the time of commencement of Corporate Tax.

<b>21.2.12</b>	Number of days the Qualifying Immovable Property was owned prior the commencement of first Tax Period
----------------	-------------------------------------------------------------------------------------------------------

If you have elected the time apportionment method, enter the total number of days from the first ownership day until the day preceding the start of the first Tax Period.

If you are a Tax Group (formed in the first Tax Period following the introduction of Corporate Tax) or are a member of a Qualifying Group, provide the combined ownership period when the asset was held before Corporate Tax became effective, by

<sup>220</sup> Article 2(2) of Ministerial Decision No. 120 of 2023.



juridical persons who would qualify as members of a Tax Group or members of the same Qualifying Group had Corporate Tax been effective at the time.<sup>221</sup>

<b>21.2.13</b>	Total number of days the Qualifying Immovable Property has been owned
----------------	-----------------------------------------------------------------------

This is calculated automatically.

<b>21.2.14</b>	Proceeds on disposal of the Qualifying Immovable Property
----------------	-----------------------------------------------------------

Enter the proceeds derived in the current Tax Period, converted to AED if the transaction was in another currency.

<b>21.2.15</b>	Amount excluded from Taxable Income
----------------	-------------------------------------

This is calculated automatically based on Article 2 of Ministerial Decision No. 120 of 2023 and will only exclude a gain and not a loss.

## B. Qualifying Intangible Assets Schedule

This schedule should be completed in your first Tax Period if you have made the election to exclude an element of the gain which pre-dates the introduction of Corporate Tax in respect of all Qualifying Intangible Assets owned prior to your first Tax Period.

This schedule must be completed regardless of whether you have actually disposed of the relevant Intangible Asset(s) in the Tax Period. However, it will only result in an adjustment in the tax computation part of the Tax Return in a Tax Period in which a relevant asset is disposed of by you.

For further information on this transitional adjustment, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<sup>221</sup> Article 5 of Ministerial Decision No. 120 of 2023.





### 21.3. Qualifying Intangible Assets

<b>21.3.1</b>	Qualifying Intangible Asset Description
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This will only need to be completed in your first Tax Period or if any Qualifying Intangible Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter the Qualifying Intangible Asset.

<b>21.3.2</b>	Date of ownership
---------------	-------------------

Enter the date you acquired each Qualifying Intangible Asset.

This will only need to be completed in your first Tax Period or if any Qualifying Intangible Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

In relation to a Tax Group:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the date when the Qualifying Intangible Asset was first owned by a member of the Tax Group before Corporate Tax was effective.<sup>222</sup>
- If you are a Tax Group that formed other than in the first Tax Period following the introduction of Corporate Tax, enter the date the Qualifying Intangible Asset was first owned by a member of the Tax Group which made the election in its own capacity before joining the Tax Group.

If you are a member of a Qualifying Group, enter the date when the Qualifying Intangible Asset was first owned by you or any Person with whom you are in a Qualifying Group before the Corporate Tax was effective.<sup>223</sup>

<b>21.3.3</b>	Date of sale
---------------	--------------

If applicable, enter the date of the sale. This should be consistent with the date recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if eligible).

<b>21.3.4</b>	Original cost prior to commencement of the first Tax Period
---------------	-------------------------------------------------------------

<sup>222</sup> Article 5 of Ministerial Decision No. 120 of 2023.

<sup>223</sup> Article 5 of Ministerial Decision No. 120 of 2023.



Enter the original purchase or the acquisition cost in relation to each Qualifying Intangible Asset.

This will only need to be completed in your first Tax Period or if any Qualifying Intangible Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

The following should be noted:

- If you are a Tax Group (formed in the first Tax Period following the introduction of Corporate Tax) or are member of a Qualifying Group, enter the purchase or acquisition cost recorded in the balance sheet by the first owner of the asset in the Tax Group or Qualifying Group before the Corporate Tax was effective.
- If you are a Tax Group that formed other than in the first Tax Period following introduction of the Corporate Tax, enter the purchase or acquisition cost recorded in the balance sheet by the member of the Tax Group which held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

<b>21.3.5</b>	Net book value prior to commencement of the first Tax Period
---------------	--------------------------------------------------------------

This refers to the opening balance (net book value) of the Qualifying Intangible Asset per the Taxable Persons' Financial Statements in relation to its first Tax Period.

This will only need to be completed in your first Tax Period or if any Qualifying Intangible Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

In relation to a Tax Group:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the value recorded in opening balance sheet of the Tax Group.
- If you are a Tax Group that formed other than in the first Tax Period following introduction of the Corporate Tax, enter the net book value recorded in the opening balance sheet by the member of the Tax Group who held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

If you are a member of a Qualifying Group, enter the value recorded in the opening balance sheet by the member of the Qualifying Group who held the asset at the start of its first Tax Period.



<b>21.3.6</b>	Was the Qualifying Intangible Asset transferred and Business Restructuring relief or relief for transfers within a Qualifying Group was applied?
---------------	--------------------------------------------------------------------------------------------------------------------------------------------------

This question is relevant if you are a Transferor in relation to a transaction in respect of which Qualifying Intangible Asset was transferred and Qualifying Group relief or Business Restructuring Relief was elected in relation to such transfer. If you answer yes, fields **21.3.9** to **21.3.12** will not be applicable.

<b>21.3.7</b>	Transaction Counterparty name
<b>21.3.8</b>	Transaction Counterparty Corporate Tax TRN

Provide the name and the TRN of the Transferee to whom the Qualifying Intangible Asset was transferred as part of a Qualifying Group or Business Restructuring Relief transaction.

<b>21.3.9</b>	Number of days the Qualifying Intangible Asset was owned prior the commencement of first Tax Period
---------------	-----------------------------------------------------------------------------------------------------

This will only need to be completed in your first Tax Period or if any Qualifying Intangible Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter the total number of days from the first ownership day until the day preceding the start of the first Tax Period. Except under exceptional circumstances and pursuant to approval by the FTA, only a maximum period of 10 years can be used to calculate the number of days the Qualifying Intangible Asset is owned before the first Tax Period.<sup>224</sup> So the number of days entered here should not exceed this time limit, unless it is approved by the FTA.

If you are a Tax Group (formed in the first Tax Period following the introduction of Corporate Tax) or are member of a Qualifying Group, provide the combined ownership period when the asset was held before Corporate Tax become effective by juridical persons who would qualify as members of a Tax Group or members of the same Qualifying Group had Corporate Tax been effective at that time.

<b>21.3.10</b>	Total number of days the Qualifying Intangible Asset has been owned for the purposes of the calculation
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<sup>224</sup> Article 3(5) of Ministerial Decision No. 120 of 2023.



Enter the total number of days the asset was owned. This will be the total of the number of days calculated in the field **21.3.9** and the number of days the asset was owned by you after Corporate Tax became effective.

<b>21.3.11</b>	Proceeds on disposal of the Qualifying Intangible Asset
----------------	---------------------------------------------------------

Enter the proceeds derived in the current Tax Period, converted to AED if the transaction was in another currency.

<b>21.3.12</b>	Amount excluded from Taxable Income
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This is calculated automatically and will only exclude a gain and not a loss.

### C. Qualifying Financial Assets or Liabilities Schedule

This schedule should be completed in your first Tax Period if you have made the election to exclude an element of the gain or loss which pre-dates the introduction of Corporate Tax in respect of Qualifying Financial Assets and Qualifying Financial Liabilities owned prior to your first Tax Period.

This schedule must be completed regardless of whether you have actually disposed of the relevant asset/liability in the Tax Period. However, it will only result in an adjustment in the tax computation part of the Tax Return in a Tax Period in which a disposal takes place.

This schedule should be completed on a disposal of Qualifying Financial Assets and/or Qualifying Financial Liabilities held prior to your first Tax Period in respect of which you have made the election to exempt the element of the gain or loss which pre-dates the introduction of Corporate Tax.

For further information on this transitional adjustment, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

### 21.4. Qualifying Financial Assets

<b>21.4.1</b>	Financial Assets Description
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This will only need to be completed in your first Tax Period or if any Qualifying Financial Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.



Enter a description of each Qualifying Financial Asset.

<b>21.4.2</b>	Date of ownership
---------------	-------------------

This will only need to be completed in your first Tax Period or if any Qualifying Financial Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter the date you acquired each Qualifying Financial Asset.

In relation to a Tax Group:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the date when the Qualifying Financial Asset was first owned by a member of the Tax Group before Corporate Tax was effective.<sup>225</sup>
- If you are a Tax Group that formed other than in the first Tax Period following the introduction of Corporate Tax, enter the date the Qualifying Financial Asset was first owned by a member of the Tax Group which made the election in its own capacity before joining the Tax Group.

If you are a member of a Qualifying Group, enter the date when the Qualifying Financial Asset was first owned by you or any Person with whom you are in a Qualifying Group before the Corporate Tax was effective.<sup>226</sup>

<b>21.4.3</b>	Date of sale
---------------	--------------

If applicable, enter the date of the sale. This should be consistent with the date recognised for Financial Statements purposes i.e. as per IFRS (or IFRS for SMEs if eligible).

<b>21.4.4</b>	Is the gain/loss from the disposal of the Qualifying Financial Asset exempt under the Participation Exemption?
---------------	----------------------------------------------------------------------------------------------------------------

Answer 'Yes' or 'No' as applicable. If you respond "Yes" then the remainder of the fields will not be relevant for you.

For further information, see the [Corporate Tax Guide on Exempt Income: Dividends and Participation Exemption](#).

<sup>225</sup> Article 5 of Ministerial Decision No. 120 of 2023.

<sup>226</sup> Article 5 of Ministerial Decision No. 120 of 2023.



<b>21.4.5</b>	<b>Net book value at the start of the first Tax Period</b>
---------------	------------------------------------------------------------

This is the opening balance (net book value) of the Qualifying Financial Asset per the Taxable Persons' Financial Statements in relation to its first Tax Period.

This will only need to be completed in your first Tax Period or if any Qualifying Financial Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

In relation to a Tax Group:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the value recorded in opening balance sheet of the Tax Group.
- If you are a Tax Group that formed other than in the first Tax Period following introduction of the Corporate Tax, enter the net book value recorded in the opening balance sheet by the member of the Tax Group who held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

If you are a member of a Qualifying Group, enter the value recorded in the opening balance sheet by the member of the Qualifying Group who held the asset at the start of its first Tax Period.

<b>21.4.6</b>	<b>Was the Qualifying Financial Asset transferred and Business Restructuring relief or relief for transfers within a Qualifying Group was applied?</b>
---------------	--------------------------------------------------------------------------------------------------------------------------------------------------------

This question is relevant if you are a Transferor in relation to a transaction in respect of which a Qualifying Financial Asset was transferred and Qualifying Group relief or Business Restructuring Relief was elected in relation to such transfer. If you answer yes, fields **21.4.9** to **21.4.11** will not be applicable.

<b>21.4.7</b>	<b>Transaction Counterparty name</b>
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<b>21.4.8</b>	<b>Transaction Counterparty Corporate Tax TRN</b>
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Provide the name and the TRN of the Transferee to whom the Qualifying Financial Asset was transferred as part of a Qualifying Group or Business Restructuring Relief transaction.

<b>21.4.9</b>	<b>Market Value at the start of the first Tax Period</b>
---------------	----------------------------------------------------------



This will only need to be completed in your first Tax Period or if any Qualifying Financial Assets are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter the Market Value of the asset at the start of your first Tax Period.

In relation to a Tax Group:

- If you are a Tax Group formed in the first Tax Period following the introduction of Corporate Tax, enter the Market Value of the Qualifying Financial Asset at the start of your first Tax Period.
- However, if you are a Tax Group that was formed other than in the first Tax Period following introduction of the Corporate Tax, enter the Market Value of the Qualifying Financial Asset at the start of the first Tax Period of the member of the Tax Group who held the asset before Corporate Tax was effective and, before joining the Tax Group, made the election in its own capacity in its first Tax Period.

If you are a member of a Qualifying Group, enter Market Value of the Qualifying Financial Asset at the start of first Tax Period of the member of the Qualifying Group who first held the asset at time of commencement of Corporate Tax.

<b>21.4.10</b>	Proceeds on disposal
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Enter the proceeds derived in the current Tax Period, converted to AED if the transaction was in another currency.

<b>21.4.11</b>	Amount of gains/(losses) excluded from Taxable Income in respect of Qualifying Financial Assets
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This is calculated automatically.

## 21.5. Qualifying Financial Liabilities

<b>21.5.1</b>	Financial Liabilities description
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This will only need to be completed in your first Tax Period or if any Qualifying Financial Liabilities are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter a description of each Qualifying Liability.

<b>21.5.2</b>	Date of ownership
---------------	-------------------



This will only need to be completed in your first Tax Period or if any Qualifying Financial Liabilities are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter the date you acquired each Qualifying Financial Liability.

*See comments in relation to a Tax Group or a member of a Qualifying Group under Qualifying Financial Assets above.*

<b>21.5.3</b>	Date of sale
---------------	--------------

If applicable, enter the date of the sale. This should be consistent with the date recognised for Financial Statements purposes, i.e. as per IFRS (or IFRS for SMEs if eligible).

A liability would not generally be sold but can be transferred for example by way of assignment or delegation and this is what is intended here.

<b>21.5.4</b>	Is the gain/loss from the disposal of the Qualifying Financial Liability exempt under the Participation Exemption?
---------------	--------------------------------------------------------------------------------------------------------------------

A financial liability would not qualify as a Participating Interest for purposes of Participation Exemption. Hence, this question should always be answered 'No'.

<b>21.5.5</b>	Net book value at the start of the first Tax Period
---------------	-----------------------------------------------------

This is the opening balance (net book value) of the Qualifying Financial Liability per the Taxable Persons' Financial Statements in relation to its first Tax Period.

This will only need to be completed in your first Tax Period or if any Qualifying Financial Liabilities are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

<b>21.5.6</b>	Was the Qualifying Financial liabilities transferred and Business Restructuring relief or relief for transfers within a Qualifying Group was applied?
---------------	-------------------------------------------------------------------------------------------------------------------------------------------------------

The question is relevant if you are a Transferor in relation to a transaction in respect of which Qualifying Financial Liabilities was transferred and Qualifying Group relief or





Business Restructuring Relief was elected in relation to such transfer. If you answer yes, fields **21.5.9** to **21.5.11** will not be applicable.

<b>21.5.7</b>	Transaction Counterparty name
<b>21.5.8</b>	Transaction Counterparty Corporate Tax TRN

Provide the name and the TRN of the Transferee to whom the Qualifying Intangible Liability was transferred as part of a Qualifying Group or Business Restructuring Relief transaction.

*See comments in relation to a Tax Group or a member of a Qualifying Group under Qualifying Financial Assets above.*

<b>21.5.9</b>	Market Value at the start of the first Tax Period
---------------	---------------------------------------------------

This will only need to be completed in your first Tax Period or if any Qualifying Financial Liabilities are transferred to you via a transfer within a Qualifying Group or between members of a Tax Group.

Enter the Market Value of the liability at the start of your first Tax Period.

*See comments in relation to a Tax Group or a member of a Qualifying Group under Qualifying Financial Assets above.*

<b>21.5.10</b>	Proceeds on disposal
----------------	----------------------

Enter the proceeds derived in the current Tax Period, converted to AED if the transaction was in another currency.

<b>21.5.11</b>	Amount of gains/(losses) excluded from Taxable Income in respect of Qualifying Financial Liabilities
----------------	------------------------------------------------------------------------------------------------------

This is calculated automatically.



## 22. Other schedules

### 22.1. Income/Losses which will not subsequently be reported in the income statement Schedule

This schedule needs to be completed by you if you have recognised gains and losses in your Financial Statements (other than the income statement) which will not subsequently be recognised in the income statement.

If this amount is an unrealised gain or loss (which will not be subsequently recognised in the income statement) and you have elected for realisation basis, the amount of unrealised gain or loss should not be entered in this schedule or the 'Unrealised gains or loss' schedule. In other words, this amount of unrealised gain or loss should not be reflected in the Tax Return.

<b>22.1.1</b>	Description of the asset / liability
---------------	--------------------------------------

Enter a description.

<b>22.1.2</b>	Is the income or loss derived from an unrealised gain / loss?
---------------	---------------------------------------------------------------

Select 'Yes' or 'No' as relevant.

<b>22.1.3</b>	Has the Taxable Person elected to apply the realisation basis?
---------------	----------------------------------------------------------------

This is pre-populated based on your response in Section [5.1](#).

If the answer to question **22.1.2** and this question is 'Yes', the fields below will not be visible to you.

<b>22.1.4</b>	Original cost of the asset/liability
---------------	--------------------------------------

Enter the amount as per your Financial Statements when asset or liability was purchased or acquired.

<b>22.1.5</b>	Net book value of the asset / liability at the end of the Tax Period
---------------	----------------------------------------------------------------------

Enter the amount as per the Financial Statements.



<b>22.1.6</b>	Income recognised in the Financial Statements but not in the income statement
<b>22.1.7</b>	Loss recognised in the Financial Statements but not in the income statement

Enter the income or loss, as applicable, for each asset or liability.

<b>22.1.8</b>	Total adjustment in respect of income
<b>22.1.9</b>	Total adjustment in respect of losses

This is calculated automatically as a total of amounts in fields **22.1.6** and **22.1.7**. This amount will be pre-populated in your tax computation (see Section [7.4](#))

## 22.2. Unrealised gains/losses Schedule

This schedule must be completed if you have made the election to be subject to tax on the realisation basis (see Section [5.1](#)) and have unrealised gains or losses in the Tax Period (see Section [7.5](#)).

For further information, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>22.2.1</b>	Description of the asset / liability
---------------	--------------------------------------

Enter a description sufficient to identify the specific asset/liability.

<b>22.2.2</b>	Original cost of the asset / liability
---------------	----------------------------------------

Enter the cost of the asset/ liability recorded in your Financial Statements in the year when asset/ liability was purchased or acquired or created.

<b>22.2.3</b>	Net book value of the asset / liability at the end of the Tax Period
---------------	----------------------------------------------------------------------

Enter the amount as per the Financial Statements.

<b>22.2.4</b>	Unrealised gains recognised during the Tax Period
---------------	---------------------------------------------------



<b>22.2.5</b>	Unrealised losses recognised during the Tax Period
---------------	----------------------------------------------------

Enter the amount in the relevant field. For assets (other than Financial Assets), only unrealised gains/losses in excess of the original cost are excluded.<sup>227</sup> For Financial Assets, all unrealised gains/losses are excluded.<sup>228</sup>

### 22.3. Deferred gains or losses Schedule

This schedule must be completed in respect of unrealised gains or losses which were not previously subject to Corporate Tax due to an election to apply the realisation basis, which have subsequently been realised in the current Tax Period.

For further information, see the [Corporate Tax Guide on Accounting Standards and Interaction with Corporate Tax](#).

<b>22.3.1</b>	Description of the asset/liability
---------------	------------------------------------

Enter a description sufficient to identify the specific asset/liability.

<b>22.3.2</b>	Date that the realisation event occurred
---------------	------------------------------------------

For an asset, enter the date that it was sold, disposed of, transferred, settled or became worthless.<sup>229</sup> For a liability, enter the date that it was settled, assigned, transferred or forgiven.<sup>230</sup>

<b>22.3.3</b>	Tax Period(s) in which the unrealised gain(s)/loss(es) was deferred?
---------------	----------------------------------------------------------------------

For each unrealised gain or loss, enter the Tax Period in which it was originally excluded from Taxable Income.

<b>22.3.4</b>	Were any unrealised gain(s)/ loss(es) previously recognised through the Income Statement?
---------------	-------------------------------------------------------------------------------------------

Enter 'Yes' or 'No' as applicable.

<sup>227</sup> Article 2(3)(a) and 2(4)(a) of Ministerial Decision No. 134 of 2023.

<sup>228</sup> Article 2(3)(b) and 2(4)(b) of Ministerial Decision No. 134 of 2023.

<sup>229</sup> Article 9(2)(a) of Ministerial Decision No. 134 of 2023.

<sup>230</sup> Article 9(2)(b) of Ministerial Decision No. 134 of 2023.



<b>22.3.5</b>	Amount of previously unrealised gains which have been realised in the current Tax Period
<b>22.3.6</b>	Amount of previously unrealised losses which have been realised in the current Tax Period

Enter the gain or loss calculated as per Article 2 of Ministerial Decision No. 134 of 2023.

#### **22.4. Additional attachments Schedule**

This schedule includes a list of the documents that may be required to be submitted with the Tax Return.

Except for Financial Statements, it is optional to attach the other documents listed below along with the Tax Return. Hence, you will be allowed to submit your Tax Return without attaching these documents by adding a reason for the same. However, these documents must be maintained by the Taxable Person in terms of Article 56 of the Corporate Tax Law.

Document name	Commentary
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 Foreign Tax Credit in the Tax Return.



## 23. Exempt Persons

Persons who are exempt from Corporate Tax are referred to as Exempt Persons. Exempt Persons fall into the following categories:<sup>231</sup>

- (a) Government Entities,
- (b) Government Controlled Entities,
- (c) Extractive Business,
- (d) Non-Extractive Natural Resource Business,
- (e) Qualifying Public Benefit Entities,
- (f) public and private pension or social security funds,
- (g) Qualifying Investment Funds, and
- (h) juridical persons incorporated in the UAE that are wholly owned and controlled by an Exempt Person specified in (a), (b), (f) and (g) above and conduct some specific activities of the Exempt Person.

### 23.1. Government Entity, Government Controlled Entity, Extractive Business and Non-Extractive Natural Resource Business

Government Entity, Government Controlled Entity, Persons engaged in Extractive Business or a Non-Extractive Natural Resource Business are exempt from Corporate Tax. However, if these Persons conduct taxable Business, they will be a Taxable Person insofar as it relates to such taxable Business and will need to submit a Tax Return in respect of that taxable Business.

Where a Government Entity or Government Controlled Entity is conducting multiple taxable Businesses, each taxable Business is treated as a separate Taxable Person.<sup>232</sup> Accordingly, a separate Tax Return must be filed for each taxable Business. However, a Government Entity or Government Controlled Entity may be treated as a single Taxable Person in respect of all its taxable Businesses in which case a single Tax Return can be filed.

If you are a Government Entity, Government Controlled Entity, Persons engaged in Extractive Business or a Non-Extractive Natural Resource Business, the adjustments to be made to determine Taxable Income are the same as for other Taxable Persons, except for certain provisions. For example,<sup>233</sup>

- no relief for transfers within a Qualifying Group and Business Restructuring
- no transfer of Tax Loss
- cannot be member of a Tax Group.

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<sup>231</sup> Article 4 of the Corporate Tax Law.

<sup>232</sup> Article 4(2) read with Articles 5(3) and 6(3) of the Corporate Tax Law.

<sup>233</sup> Article 4(2) of the Corporate Tax Law.



## 23.2. Other Exempt Persons

Exempt Persons such as Qualifying Public Benefit Entities, public and private pension or social security funds, Qualifying Investment Funds and entities which are wholly owned and controlled by specific Exempt Persons are not required to complete a Tax Return. Instead these Exempt Persons are required to make an annual declaration.<sup>234</sup>

The annual declaration which must be made by an Exempt Person is pre-populated with information from EmaraTax. In such declaration, the Exempt Person is required to confirm that it has fulfilled the conditions to be exempt from Corporate Tax in the Tax Period.

If an entity ceases to be an Exempt Person in a Tax Period (i.e. becomes a Taxable Person), then the entity will be required to submit a Tax Return for that Tax Period.

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<sup>234</sup> Article 53(5) of the Corporate Tax Law.



## 24. Updates and amendments

Date of amendment	Amendments made
November 2024	<ul style="list-style-type: none"><li>• First version</li></ul>