



Introduction

This is an English replication of the United Arab Emirates Draft Federal Law No. (7) of 2017 regarding the tax procedures published by the Ministry of Finance on its website at 1 August 2017.

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You cannot rely on this document to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication.

Federal Law No. (7) of 2017

Regarding Tax Procedures

We, Khalifa bin Zayed Al Nahyan – President of the United Arab Emirates,

- Having reviewed the Constitution,
- Federal Law No. (1) of 1972, regarding the Competencies of the Ministries and Powers of the Ministers and its amendments,
- Federal Law No. (5) of 1975 regarding the Commercial Records,
- Federal Law No. (11) of 1981, regarding the Imposition of a Federal Customs Tax on Imports of Tobacco and Tobacco Products and its amendments,
- Federal Law No. (5) of 1985, promulgating the Civil Transactions Law and its amendments,
- Federal Law No. (3) of 1987, promulgating Penal Law and its amendments,
- Federal Law No. (10) of 1992, promulgating the Law of Evidence in Civil and Commercial Transactions and its amendments,
- Federal Law No. (11) of 1992, promulgating the Law on Civil Procedures and its amendments,
- Federal Law No. (35) of 1992 promulgating the Penal Procedures Law and its amendments,
- Federal Law No. (18) of 1993 promulgating the Commercial Transactions Law,
- Federal Law No. (17) of 2004 regarding the Commercial Concealment combat,
- Federal Law No. (1) of 2006 regarding electronic transactions and trading,
- Federal Decree Law No. (11) of 2008, regarding Human Resources in the Federal Government and its amendments,
- Federal Law No. (1) of 2011, regarding the State's Public Revenues,
- Federal Law No. (6) of 2012, regarding the Organization of the Translation Profession,
- Federal Law No. (12) of 2014, regarding the Organization of the Profession of Auditors,
- Federal Law No. (2) of 2015, regarding Commercial Companies;
- Federal Decree No. (9) of 2016 regarding Bankruptcy,
- Federal Law No. (13) of 2016 regarding the Establishment of the Federal Tax Authority
- Following the presentation of the Minister of Finance and the approval of the Cabinet, Federal National Council and Federal Supreme Council,

We hereby issue the following Law:

Chapter One Definitions and Scope of Application of the Law

Article (1) Definitions

In the application of the provisions of this law, the following words and expressions shall have the meanings set out against each of them, unless the context otherwise requires:

State: the United Arab Emirates

Minister: the Minister of Finance.

Authority: the Federal Tax Authority.

Director General: the Director General of the Authority.

Committee: the Tax Disputes Resolution Committee.

Competent Court: the court within whose jurisdiction the Authority's Head Office or Branch is located.

Tax: any federal tax administered, collected or enforced by the Authority.

Tax Law: any federal law pursuant to which a Federal Tax is imposed.

Person: a natural or legal person.

Business: any activity conducted in an ongoing, regular and independent manner by any Person and in any location, such as industrial, commercial, agricultural, professional, vocational or service activity, drilling activities or anything related to the use of material or non-material property.

Taxable Person: a Person who is subject to Tax under the provisions of the relevant Tax Law.

Taxpayer: any Person who is obligated to pay Tax in the State under the Tax Law whether a Taxable Person or an end consumer.

Tax Return: information and data specified for Tax purposes, submitted by a Taxable Person in accordance with the form prepared by the Authority.

Tax Period: a specified period of time in respect of which Tax must be calculated and Payable Tax must be paid.

Tax Registration: a procedure by which a Taxable Person or the Legal Representative registers for Tax purposes with the Authority.

Tax (Registration) No. (TRN): a unique number issued by the Authority for each Person registered for Tax purposes.

Registrant: a Taxable Person holding a TRN.

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

Due Tax: Tax that is calculated and levied under the provisions of any Tax Law.

Payable Tax: Tax that has become due for payment to the Authority.

Administrative Penalties: cash amounts imposed on a Person by the Authority for a breach of this Law or the Tax Law.

Refundable Tax: amounts that have been paid and that the Authority can refund in whole or in part to the Taxpayer pursuant to the relevant Tax Law, or which it can require to use in the payment of amounts due or administrative penalties or to carry forward to coming Tax Periods depending on the nature of the refund under the Tax Law.

Tax Assessment: a decision issued by the Authority relating to the Payable Tax or Refundable Tax.

Administrative Penalties Assessment: a decision issued by the Authority concerning administrative penalties due.

Notification: notification to the concerned Person or his Tax Agent or legal representative of decisions issued by the Authority through the channels stated in this Law and its Executive Regulations.

Voluntary Disclosure: a form prepared by the Authority pursuant to which the Taxpayer notifies the Authority of an error or omission in the Tax Return, Tax Assessment or Tax Refund Application in accordance with the provisions of the Tax Law.

Register: the Register of Tax Agents.

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

Tax Audit: a procedure undertaken by the Authority to inspect the commercial records or any information or data related to a Person carrying on Business.

Tax Auditor: any member of the Authority's staff appointed as a Tax Auditor.

Tax Evasion: the use of illegal means resulting in lowering the amount of tax due, non-payment of the tax due or a refund of tax that he does not have the right to have refunded under any Tax Law.

Article (2)

Scope of Application of the Law

The provisions of this Law apply to tax procedures related to the administration, collection and implementation of Taxes by the Authority.

Article (3)

Objectives of the Law

This Law aims to achieve the following:

1. The regulation of the mutual rights and obligations between the Authority and the Taxpayer and any other Person dealing with the Authority;
2. The regulation of the common procedures and rules applicable to all Tax Laws in the State.

Chapter Two Tax Obligations

Part One

Keeping of Accounting Records and Commercial Books

Article (4)
Record Keeping

Any Person conducting any Business must keep Accounting Records and Commercial Books of his Business and any Tax related information as determined by Tax Law and maintain the same according to the controls laid down by the Executive Regulations to this Law.

Article (5)
Language

1. Each Person must submit the Tax Return, data, information, records and documents related to Tax that he is required to submit to the Authority in Arabic as determined by the provisions of the Tax Law.
2. The Authority may accept Tax related data, information, records and documents in any other language, provided that a the Person must provide the Authority with a translated copy of any of them into Arabic at his expense and responsibility if so requested, and in accordance with the Executive Regulations to this Law.

Part Two
Tax Registration

Article (6)
Tax Registration and Deregistration and Amendments of Data

1. A non-registered Taxable Person or any other Person who has the right to register must apply for registration under the relevant provisions of the Tax Law.
2. Any Registrant must:
 - a. Include his TRN in all his correspondence and transactions with the Authority or with others in accordance with the provisions of the Tax Law.
 - b. Inform the Authority, in the form prepared by it, of the occurrence of any circumstance that might require the amendment of information related to his Tax record kept by the Authority, within 20 working days from the occurrence of such circumstance.
 - c. Apply for the cancellation of his registration in accordance with the relevant provisions of the Tax Law.
3. The Executive Regulations of this Law will specify the Tax Registration and Deregistration procedures and the data amendments with the Authority.
4. Government bodies that license businesses shall notify the Authority within (20) working days from the date of issuing the licence and according to the provisions of the Executive Regulations of this Law.

Article (7)
The Legal Representative

Any Person appointed as a Legal Representative of a Taxable Person or his funds or his inheritance must inform the Authority within 20 working days from the date of the appointment, and according to the provisions of the Executive Regulations of this Law.

Part Three
Tax Obligations

Article (8)
Tax Return Preparation and Submission

1. Each Taxable Person must do the following:
 - a. Prepare the Tax Return for each Tax Period for each Tax within the period of registration in accordance with the Tax Law.
 - b. Submit the Tax Return to the Authority in accordance with the provisions of this Law and the Tax Law.
 - c. Pay any Payable Tax as specified in the Tax Return or any Tax Assessment within the time limit laid down in this Law and the Tax Law.
2. Any incomplete Return submitted to the Authority shall be treated as not having been accepted by it if it does not include the basic information determined by the Tax Law.
3. Each Taxable Person is responsible for the accuracy of the information and data in the Tax Return and in any of his correspondence with the Authority.
4. Each Taxpayer must pay any administrative penalties prescribed within the time period laid down in this Law and the Tax Law.

Article (9)
Identification of Due Taxes Upon Payment

1. The Taxable Person must, when paying any amount to the Authority, specify the type of Tax and the relevant Tax Period for that amount; the Authority shall allocate the paid amount accordingly.
2. If a Taxable Person makes any payment without specifying the type of Tax or the Tax Period, the Authority shall have the right to allocate the full amount or part thereof according to the mechanism stated in the Executive Regulations of this Law.

3. If a Taxable Person overpays the Tax due amount, the Authority shall have the right to allocate the difference to a later Tax Period, unless such Taxable Person submits a refund application in accordance with the provisions of this Law.
4. If a Taxable Person pays less than the Tax due amount, the provisions of Chapter Three, Part Four of this Law shall apply.

**Part Four
Voluntary Disclosure**

**Article (10)
Voluntary Disclosure**

1. If a Taxable Person becomes aware that a Tax Return submitted by him to the Authority or a Tax Assessment sent to him from the Authority are incorrect, resulting in a calculation of a payable Tax under the Tax Law that is less than required, the Taxable Person must in that event apply to correct such Tax Return by submitting a Voluntary Disclosure within the determined period set in the Executive Regulations of this Law.
2. If a Taxpayer becomes aware that a Tax refund application that he has submitted to the Authority is incorrect, resulting in a calculation of a refund to which he is entitled under the Tax law in an amount more than the proper amount, he must in that event apply to rectify the Tax Refund application by submitting a Voluntary Disclosure within the period set out in the Executive Regulations of this Law.
3. If a Taxable Person becomes aware that a Tax Return submitted by him to the Authority or a Tax Assessment sent to him from the Authority are incorrect, resulting in the calculation of Tax due under the Tax Law that is more than required, he may in that event apply to rectify the Return by submitting a Voluntary Disclosure.
4. If a Taxpayer becomes aware that a Tax refund application that he has submitted to the Authority is incorrect, resulting in the calculation of a refund amount to the refund of which he is entitled pursuant to the Tax Law less than the proper amount, he may in that event apply to rectify the Tax Refund application by submitting a Voluntary Disclosure.

**Chapter Three
Tax Procedures**

**Part One
Notification**

**Article (11)
Methods of Notification**

1. The Authority shall notify a Person of any decisions or procedures through the address given in the correspondence between the Authority and that Person.
2. The Authority shall notify a Taxable Person through the address stated in the Tax Return, unless the Authority is informed of a change in address by the Taxable Person, his Legal Representative or his Agent.
3. In all cases, a Person shall be treated as having been notified of any decision and as having received any correspondence if it appears that the Authority has sent the notification and correspondence according to the provisions of subsections (1) and (2) of this Article.
4. The Executive Regulations of this Law shall determine the means through which notifications and correspondence shall be effected.

**Part Two
Tax Agent**

**Article (12)
Register of Tax Agents**

There shall be established at the Authority a Register of Tax Agents, and for each Tax Agent there will be a file in which all matters related to the conduct by him of the profession shall be lodged.

**Article (13)
Tax Agents Registration**

It is not permitted for any Person to practise the profession of a Tax Agent in the State unless he is registered in the Register and licensed in that respect by the Ministry of Economy and the competent local authority.

**Article (14)
Conditions of Registration in the Register**

1. Anyone entered in the Register must satisfy the following conditions:
 - a. he must be of good conduct and behaviour and have never been convicted of a crime or misdemeanour prejudicial to honour or honesty, notwithstanding that he may have been rehabilitated;
 - b. he must hold an accredited qualification from a recognised university or college showing his specialisation and practical experience as specified in the Executive Regulations of this Law;
 - c. he must be medically fit to perform the duties of the profession; and

- d. he must hold professional indemnity insurance
2. A Tax Agent must notify the Authority of any period during which he ceased practising his profession as a Tax Agent if he becomes debarred, and he can request to resume his practice when such bar ceases to exist.
3. Procedures for registration in the Register of Tax Agents and the rights and obligations of the Tax Agent before the Authority and the Person shall be specified in the Executive Regulations of this Law.

Article (15)

Appointment of a Tax Agent

1. A Person may appoint a Tax Agent to act in his name and on his behalf before the Authority with regard to his Tax affairs without prejudice to that Person's responsibility to the Authority.
2. It is not permitted for the Authority to deal with any Tax Agent regarding any Person if such Person informs the Authority that the agency has terminated or that the Tax agent has been dismissed.

Article (16)

Person's Records with the Tax Agent

1. The Tax Agent must, upon the Authority's request, provide it with all the information, documents, records and data required for any Person represented by the Tax Agent.
2. The Authority may review the records of any Person available with his Tax Agent and may rely on them for the purposes of a Tax Audit, even after the expiry of the agency or the dismissal of the Tax Agent.

Part Three

Tax Audits

Article (17)

The right of the Authority to perform a Tax Audit

1. The Authority may perform a Tax Audit on any Person to ascertain the extent of that Person's compliance with the provisions of this Law and the Tax Law.
2. The Authority may perform the Tax Audit at its office or the place of business of the Person subject to the Tax Audit or any other place where such Person carries on Business, stores goods or keeps records.
3. If the Authority decides to perform a Tax Audit at the place of Business of the Person subject to the Tax Audit or any other place where such Person carries on his Business, stores goods or keeps records, the Authority must inform him at least five business days prior to the Tax Audit.
4. By way of exception to subsection 3 of this Article, the Tax Auditor has the right of entry to any place where the Person subject to the Tax Audit carries on his Business or where the goods are stored or records are kept, and as the case may be it will be temporarily closed in order to perform the Tax Audit for a period that does not exceed 72 hours without prior notice in any of the following cases:
 - a. if the Authority has serious grounds to believe that the Person subject to the Tax Audit is participating or involved in tax evasion whether related to this Person or another Person;
 - b. if the Authority has serious grounds to believe that not temporarily closing the place where the Tax Audit is conducted will hinder the conduct of the audit;
 - c. if the Person who has been given advance notice of the Tax Audit under subsection 3 of this Article attempts to hinder the Tax Auditor's access to the place where the Tax Audit is to be performed.
5. In all cases stated in subsection 4 of this Article, the Tax Auditor must obtain the prior written consent of the Director General and must obtain a permit from the Public Prosecutor if the place to be accessed is a place of residence.
6. Places closed under this Article must be reopened upon the expiration of 72 hours, unless the Authority obtains a permit from the Public Prosecutor to extend the closure period for a similar period prior to the expiry of the preceding 72 hours.
7. A criminal case (Prosecution) can be initiated only upon an application from the Director General.
8. The Executive Regulations of this Law shall specify the necessary procedures regarding the Tax Audit.

Article (18)

The Right of the Authority to Access the Original Records or Copies Thereof During a Tax Audit

While conducting a Tax Audit, the Tax Auditor may obtain original records or copies thereof, or take samples of the goods, equipment or other assets from the place at which the Person subject to the Tax Audit carries on his business or which are in his possession, or may attach them in accordance with the rules laid down in the Executive Regulations of this Law.

Article (19)

Timing of the Tax Audit

The Tax Audit will be conducted during the official working hours of the Authority. In case of necessity the Director General may by way of exception issue a decision to conduct the Audit outside such times.

Article (20)
Surfacing of New Information after a Tax Audit

The Authority may audit any issue previously audited if new information surfaces that might impact the outcome of the Tax Audit, provided that the Tax Audit procedures shall apply in accordance with the provisions of this Law and its Executive Regulations.

Article (21)
Cooperation during the Tax Audit

Any Person subject to a Tax Audit, his Tax Agent or Legal Representative must offer all possible facilities and assistance to the Tax Auditor to enable him to perform his duties.

Article (22)
The Audited Person's Rights

The audited Person has the right to:

1. request the Tax Auditors to show their job identification cards,
2. obtain a copy of the Tax Audit Notification, and
3. attend the auditing procedures which take place outside of the Authority.
4. Obtain copies of any original paper or digital documents removed or obtained by the Authority during the Tax Audit and according to the provisions of the Executive Regulations of this Law.

Article (23)
Notification of the Internal Tax Audit Results

1. The Authority must inform the Person subject to Tax audit of the final results of the Tax Audit pursuant to the Executive Regulations of this Law.
2. The Person subject to the Tax Audit may view or obtain documents and data which the Authority based the assessment of Due Tax according to the limitations specified in the Executive Regulations of this Law.

Part Four
Tax Assessments and the Assessment of Administrative Penalties

Article (24)
Tax Assessments

1. The Authority must issue a Tax Assessment to determine the value of Payable Tax and serve it on Taxable Person within five working days of its issuance in any of the following cases:
 - a. if the Taxable Person fails to apply for registration within the timeframe specified by the Tax Law;
 - b. if the Registrant fails to submit a Tax Return within the timeframe specified by the Tax Law;
 - c. if the Registrant fails to pay the Tax stated as Payable on the Tax Return that was submitted within the timeframe specified by the Tax Law;
 - d. if the Taxable Person submits an incorrect Tax Return;
 - e. if the Registrant fails to calculate Tax on behalf of another Person when he is obligated to do so under the Tax Law; and
 - f. if there is a shortfall in Payable Tax as a result of a Person's Tax Evasion, or as a result of a Tax Evasion in which such Person was involved.
2. The Authority shall issue an estimated Tax Assessment if it has not been possible to determine the Tax deemed to be Payable or the Refundable Tax, and it has not been due to be refunded, as the case may be.
3. The Authority may amend the estimated Tax Assessment based on new information that comes to light after the issue thereof. It must notify the concerned Person of these amendments within (5) five business days from the date of amendment.
4. The Executive Regulations of this Law shall determine the information or data that must be included in the Tax Assessment.

Article (25)
Assessment of Administrative Penalties

1. The Authority must issue an assessment of Administrative Penalties against a Person and notify him within (5) five working days for any of the following violations:
 - a. if the Person carrying on Business fails to keep the required records and other information specified in this Law and the Tax Law;
 - b. if the Person carrying on Business fails to submit the data, records and documents related to Tax in Arabic to the Authority when requested;

- c. if the Taxable Person fails to submit a registration application within the period laid down in the Tax Law;
 - d. if the Registrant fails to submit a deregistration application within the period laid down in the Tax Law;
 - e. if the Registrant fails to inform the Authority of any circumstance that requires the adjustment of the information pertaining to his Tax Record kept by the Authority;
 - f. if the Person appointed as a Legal Representative for the Taxable Person fails to give notice of his appointment within the specified period, in which case the penalties will be due from the Legal Representative's own funds;
 - g. if the Person appointed as a Legal Representative for the Taxable Person fails to file a Tax Return within the specified period, in which case the penalties will be due from the Legal Representative's own funds;
 - h. if the Registrant fails to submit the Tax Return within the period specified in the Tax Law;
 - i. if the Taxable Person fails to pay the Tax stated as Payable in the submitted Tax Return or Tax Assessment of which he was notified within the period specified in the Tax Law;
 - j. if the Registrant submits an incorrect Tax Return;
 - k. if the Person voluntarily discloses errors in the Tax Return, Tax Assessment or Refund Application pursuant to Article 10 (1) and (2) of this Law;
 - l. if the Taxable Person fails to voluntarily disclose errors in the Tax Return, Tax Assessment or Refund Application pursuant to Article 10 (1) and (2) of this Law before being notified that a Tax Audit is to be performed on him;
 - m. if the Person carrying on Business fails to offer the facilities to the Tax Auditor in violation of the provisions of Article 21 of this Law;
 - n. if the Registrant fails to calculate Tax on behalf of another Person when the registered Taxable Person is obligated to do so under the Tax Law; and
 - o. any other violation for which a resolution is issued by the Cabinet.
2. The Executive Regulations of this Law shall determine the information and data that must be included in the Administrative Penalty Assessment.
 3. The Cabinet shall issue a resolution that specifies the Administrative Penalties for each of the violations listed in subsection 1 of this Article. Such Administrative Penalties shall be no less than 500 dirhams for any violation and shall not exceed three times the amount of Tax in respect of which the Administrative Penalty was levied.
 4. The imposition of any Administrative Penalty pursuant to the provisions of this Law or any other law shall not exempt any Person of his liability to pay the Payable Tax in accordance with the provisions of this Law or the Tax Law.

Part Five Penalties

Article (26) Tax Evasion Penalties

1. Without prejudice to any more severe penalty provided for under any other law, a sentence of detention and/or fine not exceeding five times the amount of evaded Tax shall be imposed on:
 - a. a Taxable Person who deliberately fails to pay any Payable Tax or Administrative Penalties;
 - b. a Taxable Person who deliberately understates the actual value of his Business or fails to consolidate his related Business with the intent of remaining below the required registration threshold;
 - c. a Person who imposes and collects amounts from his clients claiming them to be Taxes without being registered;
 - d. a Person who deliberately provides false information and data and incorrect documents to the Authority;
 - e. a Person who deliberately conceals or destroys documents or other material that he is required to maintain and provide to the Authority;
 - f. a Person who deliberately steals, miss uses or causes the destruction of documents or other materials that are in the possession of the Authority;
 - g. a Person who prevents or hinders the Authority's employees from performing their duties; and
 - h. a Person who deliberately decreases the Payable Tax by Tax Evasion or conspiring to evade Taxes.
2. The imposition of a penalty under the provisions of this Law or any other Law shall not exempt any Person from the liability to pay any Payable Taxes or Administrative Penalties under the provisions of this Law or any Tax Law.
3. The competent court shall impose Tax Evasion penalties against any Person who is proven to have been directly involved or instrumental in Tax Evasion pursuant to Federal Law No. 3 of 1987 referred to.
4. Without prejudice to subsection 2 of this Article, any Person who is proven to have been directly or instrumentally involved in Tax Evasion pursuant to subsection 3 of this Article shall be jointly and severally liable with the Person whom he has assisted, to pay the Payable Tax and Administrative Penalties pursuant to this Law or any other Tax Law.

Chapter Four Objections

Part One Application for Review

Article (27)
Procedures for Application for Review

1. Any Person may present a request to the Authority to review any of its decisions issued in connection with him, to review either the totality of the decision that has been issued or part thereof, and provided that this request shall be reasoned, within 20 business days from his being notified of the decision.
2. The Authority shall study an application for review that has fulfilled the requirements and issue its reasoned decision within 20 business days from receipt of such application. The Authority must inform the applicant of its decision within five business days of the making of the decision.

Part Two
Objections to the Committee

Article (28)
Tax Disputes Resolution Committee

1. One or more permanent committees shall be formed known as the "Tax Disputes Resolution Committee", chaired by a member of the judicial authority and two expert members being persons registered on the Register of Tax Experts to be appointed by a decision by the Minister of Justice in coordination with the Minister.
2. A decision shall be issued by the Cabinet regarding the Committee's practice rules, the remuneration of its members, and the procedures it shall follow.

Article (29)
Jurisdictions of the Committee

The Committee shall have jurisdiction to:

1. determine objections submitted against the Authority's decisions on applications for review;
2. determine applications for review submitted to the Authority but on which the Authority has not made a decision under this Law.
3. any other jurisdictions entrusted to the Committee by the Cabinet.

Article (30)
Procedures for Lodging Objections

1. Objections to the Authority's decisions on an application for review shall be submitted within 20 business days from the date of service.
2. Objections submitted to the Committee shall not be accepted in the following instances:
 - a. if an application for review had not been initially submitted to the Authority;
 - b. if the appealed Tax and Penalties objected to have not been paid.

Article (31)
Committee Procedures

1. The Committee shall study the objection and rule on it within 20 business days from receipt of the objection.
2. The Committee may extend the time for issuance of its decision for no more than 20 business days after the end of the period specified in subsection (1) of this Article if in its view there are reasonable grounds for the purposes of determining the objection.
3. The Authority shall inform the objector of its decision within five business days of its issuance.
4. The Committee's decision on the objection shall be treated as final if the total of the Tax and Administrative Penalties due is not more than (100,000) Dirhams.
5. In no case may Tax disputes may be brought before the competent court if an objection has not been first submitted to the Committee.

Article (32)
Enforcement of Decisions of the Committee

Final decisions issued by the Committee regarding disputes which are less than (100,000) One Hundred Thousand dirhams shall be treated as executory instruments pursuant to this Law, final decisions of disputes exceeding (100,000) One Hundred Thousand dirhams shall be treated as executory instruments if they are not challenged before the court within 20 working days from the date of rejection of the objection and shall be enforced through the execution judge at the competent court pursuant to the Law on Civil Procedures.

Part Three
Challenges before Courts

Article (33)
Challenge Procedures before Courts

1. Without prejudice to the provisions of Article 32 of this Law, the Authority and a Person may challenge any of the Committee's decisions before the competent court within 20 business days from the objector being notified of the Committee's decision.
2. Challenges shall be before the competent court in the following instances:
 - a. objection to the decision of the Committee in whole or in part;
 - b. non-issuance of a decision by the Committee in connection with an objection submitted to it in accordance with the provisions of this Law.

Chapter Five
Refund of Tax and Collection Thereof

Part One
Refund of Tax

Article (34)
Application for Tax Refunds

A Taxpayer may apply for the refund of any Taxes he has paid if he is entitled to a refund of it under the Tax Law and it appears that the amount he has paid is in excess of the Payable Tax and Administrative Penalties, pursuant to the procedures specified in the Executive Regulations of this Law.

Article (35)

Tax Refund Procedures

1. The Authority shall conduct a set-off between the amount applied to be refunded and any other Payable Tax or Administrative Penalties due from the Taxpayer who has applied for the refund pursuant to the Tax Return or Tax Assessment issued by the Authority before refunding any amount relating to a particular tax.
2. The Authority may decline to refund the amounts mentioned in subsection 1 of this Article if it appears to it that there are other disputed Tax amounts that are due in relation to that Person or under a decision of the competent court.
3. The Authority shall issue a Tax Refund under this Article pursuant to the procedures and rules in the Executive Regulations of this Law.

Part Two
Tax Collection

Article (36)
Collection of Payable Taxes and Administrative Penalties

If a Taxable Person fails to pay any Payable Taxes or Administrative Penalties within the specified timeframe under this Law and the Tax Law, the following measures will be taken:

1. The Authority shall send the Taxable Person a notice to pay Payable Taxes and Administrative Penalties within 20 working days of the date of notification.
2. If the Taxable Person fails to make payment after the notification pursuant to subsection 1 of this Article, the Director General shall issue a decision requiring the Taxable Person to pay the Payable Taxes and Administrative Penalties, and it shall be communicated to him within five business days from the issue of the decision accompanied by the Tax and Administrative Penalty Assessments.
3. The decision of the Director General concerning the Tax and Administrative Penalty Assessments shall be treated as an executory instrument for the purposes of enforcement through the execution judge at the competent court.

Part Three
Payment and Collection of Taxes and Administrative Penalties in Special Cases

Article (37)
Obligations of the Legal Representative

The Legal Representative must continue to submit the required Tax Returns to the Authority on behalf of the Taxable Person.

Article (38)
Liability to Pay in the Case of a Partnership

If multiple people participate in a Business that does not have independent corporate personality, each of them shall be jointly and severally liable towards the Authority for any Payable Taxes and Administrative Penalties related to such Business.

Article (39)
Tax and Administrative Penalty Payment in Special Cases

1. In cases of death, Payable Taxes shall be paid as follows:
 - a. for Payable Taxes due from a natural Person prior to the date of death, payment shall be made from the value of the elements of the inheritance or income arising thereout prior to distribution among the heirs or legatees;
 - b. if it transpires after the distribution of the inheritance that there are Payable Taxes still outstanding, recourse shall be had against the heirs and legatees for payment of such outstanding taxes, unless a Clearance certificate has been obtained from the Authority for the inheritance representative or any of the heirs.
2. Payable Taxes and Administrative Penalties due from a Taxable Person of defective capacity, or who is absent or missing, or a person without a known place of residence, or the like, shall be paid by their Legal Representative from the funds and assets of the Taxable Person.
3. Payable Taxes and Administrative Penalties by a Taxable Person who is an incapacitated person shall be paid by their Legal Representative from the funds and assets of the Taxable Person.

Article 40
Payment of Tax in Bankruptcy Case

1. The appointed Trustee shall communicate the Authority to notify him of the Due Tax or of its intention to perform a Tax Audit for the specified Tax Period or Tax Periods.
2. The Authority shall notify the Trustee of the amount of Payable Tax or of the Tax Audit within 20 working days after receiving the notification sent by the Trustee.
3. The Trustee may object or appeal regarding the Authority's assessment or payment of the Due Tax.
4. The Executive Regulations shall specify the procedures of communication, objection, appeal and tax payment with the Authority.

Chapter Six
General Provisions

Part One
Confidentiality

Article (41)
Professional Confidentiality

1. Employees of the Authority must not disclose information that they have obtained or to which they have had access in their capacity as employees or by reason of such capacity while they are serving, save as specified or defined in accordance with the Executive Regulations.
2. In all cases provided for in subsection 1 of this Article, disclosure may be made only with the approval of officers authorised by the Authority's board of directors, in accordance with the Executive Regulations.
3. Employees of the Authority shall, after cessation of their services, continue to maintain professional confidentiality, and shall not disclose information that they have obtained or to which they have had access in their capacity as employees or by reason of such capacity, unless otherwise requested by the judicial authorities and in accordance with the Executive Regulations.
4. Any person who has obtained information pursuant to the provisions of this Law shall not disclose or use the information for any purposes other than those for which the information was obtained, without prejudice to the liability arising therefrom where appropriate.
5. The Authority's board of directors shall issue the regulations and instructions regulating internal procedures to protect confidentiality of information within the Authority, and the obligations of the tax agent in this regard.

Part Two
Timeframes and Lapse of Time

Article (42)
Time-Barring

1. Except in cases of proven Tax Evasion or non-registration for Tax purposes, the Authority shall not be permitted to conduct any Tax Assessment after the expiration of five years from the end of the relevant Tax Period.
2. In cases of proven Tax Evasion, the Authority may conduct a Tax Assessment within 15 years from the end of the Tax Period in which the Tax Evasion occurred.
3. In cases of non-registration for Tax purposes, the Authority may conduct a Tax Assessment within 15 years from the date on which the Taxable Person should have registered.

Article (43)
The Authority's Right to Claim

Payable Tax and Administrative Penalties of which the Taxable Person has been notified do not lapse with time and the Authority may claim them at any time.

Article (44)
Timeframes for Tax Liabilities

Unless a timeframe is specified for the performance of any liabilities or other procedure in this Law or the Tax Law, then the Authority shall grant the Taxable Person a period of grace appropriate to the nature of the obligation or procedure of not less than five business days and not exceeding 40 business days from the date of the event resulting in the arising of the obligation or the conduct of the procedure.

Article (45)
Calculation of Periods

In all events, the following rules shall be observed when calculating periods:

1. The day of notification or the day of occurrence of the event by reason of which the period began to run shall not form part of the period.
2. If the last day of the period coincides with a public holiday, the period shall be extended to the first business day thereafter.

Article (46)
Reduction of or Exemption from Administrative Penalties

If the Authority imposes an Administrative Penalty on any Person for a violation of the provisions of this Law or the Tax Law, the Authority may reduce or exempt the Person from such Penalty if the Person produces evidence justifying the reason for his failure to comply, pursuant to the rules set out in the Executive Regulations of this Law.

Article (47)
Calendar

Periods and times provided for in this Law and the Tax Law shall be calculated according to the Gregorian calendar.

Part Three
Closing Provisions

Article (48)
Proof of Accuracy of Data

The burden of proving the accuracy of the Tax Return falls upon the Taxable Person, and the burden of proof in cases of Tax Evasion falls upon the Authority.

Article (49)
Conflict of Interest

All Authority staff members are prohibited from performing or participating in any tax procedures related to any Person in the following cases:

1. If the staff member and that Person are related up to the fourth degree;
2. If there is a common interest between the staff member and Person or between any of their relatives up to the third degree; and,
3. If the Director General decides that the staff member should not perform any tax procedures related to that Person owing to a case of conflict of interest.

Article (50)
Judicial Officers

The Director General and Tax Auditors appointed by a decision from the Minister of Justice in agreement with the Minister shall have the capacity of Judicial Officers in recording violations of the provisions of this Law, the Tax Law or decisions issued in implementation thereof.

Article (51)
Authority Fees

The Cabinet shall, upon a proposal from the Minister, issue a decision determining the fees due in implementation of the provisions of this Law and its Executive Regulations.

Article (52)
Repeal of Conflicting Provisions

All provisions contrary to or in conflict with the provisions of this Law are repealed.

Article (53)
Executive Regulations

The Cabinet shall, upon a proposal from the Minister, issue the Executive Regulations of this Law within 6 months of the issuance of the Law.

Article (54)
Publication and Coming into Force of this Law

This Law shall be published in the Official Gazette and shall come into force 30 days from the date of publication.

Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates

Issued by us at the Presidential Palace in Abu Dhabi

On: 16 Ramadan 1438H

Corresponding to: 11 June 2017



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