

UAE corporate tax: key questions answered

Will a free zone business be subject to UAE corporate tax?

Free zone (FZ) entities will be subject to UAE corporate tax, but will continue to have corporate tax incentives as long as they comply with all applicable regulatory requirements.

What are the tax rates for free zone entities?

Free zone entities that meet conditions to benefit from the free zone corporate tax regime - qualifying free zone persons (QFZPs) – will have to pay tax at the following rates:

0%

on qualifying income

9%

on taxable income that does not meet the qualifying income definition

What are the conditions of qualifying income for QFZPs?

A QFZP should meet the following conditions to benefit from the 0% corporate tax rate:

- Maintain adequate substance in the UAE
- Derives qualifying income (as to be specified in a cabinet decision yet to be made)
- Has not elected to be subject to 9% CT
- Complies with transfer pricing provisions (as applicable)



Our **accounting and tax experts in the UAE** can support you with:

- auditing in preparation for the for start of the corporate tax regime
- registering your company in the corporate tax portal
- supporting with provision of calculations
- coordinating the filing of returns
- building awareness and regular updates on new developments

We make UAE corporate tax simple

If you need support, **talk to us**

