

**Training Title**

**UAE CORPORATE TAX FOR TIER 2 MNCs, SMEs AND FREE ZONES & VAT LAWS**

**Training Duration**

**5 days**

**Training Venue and Dates**

REF FB099	UAE CORPORATE TAX FOR TIER 2 MNCs, SMES AND FREE ZONES & VAT LAWS	5	02 – 06 June 2025	\$5,500	Dubai, UAE
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In any of the 4 or 5 star hotels. The exact venue will be informed soon

**Training Fees**

- \$5,500 per participant includes Training Materials/Handouts, Tea/Coffee breaks, Refreshments and Lunch.

**Training Certificate**

**Define** Management Consultancy & Training Certificate of course completion will be issued to all attendees.

**TRAINING OVERVIEW**

**TRAINING INTRODUCTION**

Welcome to the UAE Corporate Tax Training for Tier 2 Multinational Corporations (MNCs), SMEs and Free Zones & VAT laws— a comprehensive and practical training program designed to equip finance, tax, and compliance professionals with the knowledge and tools needed to navigate the evolving corporate tax landscape in the United Arab Emirates.

With the implementation of the UAE Corporate Tax, it is crucial for Tier 2 MNCs, SMEs and Free Zone companies to understand the nuances of compliance, tax planning, and strategic decision-making. This training is crafted to address the unique challenges faced by these entities, ensuring they are well-prepared to manage tax obligations, optimize their tax positions, and stay ahead of regulatory changes.

This course will also walk you through the UAE Value Added Tax (VAT) system framework, from its introduction to the latest amendments, providing you with the knowledge and practical tools to ensure full compliance and to optimize your VAT processes efficiently.

**TRAINING OBJECTIVES:**

**By the end of the training, participants will:**

- Understand UAE Corporate Tax obligations for large MNCs

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- Be equipped to implement compliance and documentation protocols
- Know how to align with OECD and BEPS standards
- Be prepared for audits and penalties avoidance
- Gain a clear understanding of the UAE Corporate Tax regime, including key definitions, tax rates, and exemptions specific to SMEs and Free Zone businesses
- Learn about the tax benefits and obligations for businesses in UAE Free Zones, including eligibility for tax incentives and the potential impact of corporate tax on operations
- Explore the process for calculating taxable income, determining deductibles, and understanding tax credits and allowances
- Understand how to prepare for tax filings, including deadlines, required documentation, and FTA compliance
- Develop strategies for managing tax risks, audit preparedness, and dispute resolution
- Apply practical insights from real-world scenarios, with a focus on decision-making for SMEs and Free Zone businesses
- Understand the fundamentals of the UAE VAT system, including VAT rates, taxable supplies, and exempt items
- Learn how to determine your VAT obligations and apply the appropriate VAT treatment to your transactions
- Explore the VAT registration process, including criteria, procedures, and deadlines for businesses
- Gain practical knowledge on VAT invoicing, record-keeping, and reporting requirements, ensuring accuracy and compliance
- Dive into the procedures for VAT refunds, adjustments, and corrections
- Examine VAT auditing procedures and what businesses need to do to prepare for an audit by the Federal Tax Authority (FTA)
- Discuss common VAT challenges and how to manage disputes, penalties, and fines effectively
- Receive insights on how to implement VAT best practices for smoother operations and compliance within your organization

## WHO SHOULD ATTEND?

- Tax Managers
- SME Business Owners.
- CFOs & Finance Managers.

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- Tax and Accounting Professionals.
- Compliance and Legal Advisors.

### **TRAINING METHODOLOGY:**

A highly interactive combination of lectures and discussion sessions will be managed to maximize the amount and quality of information and knowledge transfer. The sessions will start by raising the most relevant questions and motivate everybody to find the right answers. You will also be encouraged to raise your own questions and to share in the development of the right answers using your own analysis and experiences. Tests of multiple-choice type will be made available on daily basis to examine the effectiveness of delivering the course.

Very useful Course Materials will be given.

- 30% Lectures
- 30% Workshops and work presentation
- 20% Group Work & Practical Exercises
- 20% Videos & General Discussions

### **COURSE OUTLINE**

#### **UAE Corporate Tax for Tier 2 MNCs**

#### **UAE CORPORATE TAX LAW OVERVIEW & APPLICATION TO MNCs**

##### **Module 1: Introduction to UAE Corporate Tax**

- Legal framework & background
- Scope and applicability (resident vs non-resident persons)
- Taxable persons and exempt persons
- Corporate tax rates and thresholds (AED 375,000, 9% standard rate & 15 % For large MNC's, pillar 2 OECD rules GMT)

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##### **Module 2: Applicability to Large Multinational Groups**

- Definition and classification of Tier 2 companies.
- Treatment of MNC branches and subsidiaries in UAE.
- Qualifying Free Zone persons vs mainland operations. (Intermediate overview & discussion)
- IFRS as applicable accounting & reporting standards.
- Concept of DTAA & FTC (Double tax avoidance agreement & Foreign tax credit).
- Concept of Corporate tax group & transfer of tax losses.

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### Module 3: Calculation of Taxable Income

- Allowable and disallowable expenses.
- Adjustments for accounting profit to taxable income.
- Interest deduction limitation (30% EBITDA rule).
- Transfer pricing compliance on transactions with related parties & connected persons.
- Specific interest deduction limitation rule.
- Concept of Withholding tax paid adjustment as per CT regime.
- Taxability of realized & unrealized income, consistency concept as per IFRS & UAE CT regime.

#### Case Study:

- Tax computation for a multinational entity with intercompany financing and cross-border services.

### COMPLIANCE, REPORTING, AND OECD ALIGNMENT

#### Module 4: Transfer Pricing Framework

- OECD Transfer Pricing Guidelines: 5 methods.
- UAE-specific Transfer Pricing compliance rules.
- TP contracts, FAR analysis & compliance.
- Transfer Pricing Documentation requirements:
  - Master File
  - Local File
  - Country-by-Country Reporting (CbCR)

#### Module 5: CbCR & Global Minimum Tax (BEPS Pillar 2 Snapshot)

- Applicability of CbCR to entities with turnover > EUR 750M.
- CbCR submission timelines & penalties.
- Pillar Two – Global Minimum Tax (15%): Overview & relevance to UAE.

#### Module 6: Tax Return Filing & Voluntary Disclosure

- Registration for Corporate Tax
- Corporate Tax Return (Form CT Return) – Due dates, contents, penalties
- Voluntary disclosures.

#### Exercise:

- CbCR structure example for a UAE holding entity

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- Master File and Local File data with lots of MCQ's, scenario based.

## **RECORD-KEEPING, RISK MANAGEMENT & STRATEGIC IMPLICATIONS**

### **Module 7: Record-Keeping & Audit Requirements**

- Retention of documents (7 years requirement).
- Language and format (Arabic/English; electronic format).
- Documentation needed to support:
  - Revenue recognition.
  - Related party transactions.
  - Transfer pricing compliance.

### **Module 8: Risk Management & Internal Controls**

- Common risk areas for MNCs in UAE Corporate Tax.
- Internal control frameworks for compliance.
- Role of tax technology and ERP systems in tax compliance.

### **Module 9: Strategic Tax Planning for Multinationals in UAE**

- Tax-efficient structuring of UAE entities.
- Substance-based structuring (economic presence).
- Managing cross-border payments and withholding tax risks.
- Coordination between global tax HQ and UAE subsidiaries.

### **Workshop:**

- Mock compliance framework for a fictional MNC in the UAE.
- Identify key risk exposures and mitigation actions.

### **Training Materials Included**

- Participant handbook.
- Checklists (CbCR, Transfer Pricing, Tax Return filing).
- UAE Corporate Tax Law quick reference guides, PDF & PPT slides.
- Excel templates for Master File / Local File documentation.
- MCQ's, case studies & Simulations.

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## **UAE Corporate Tax for SMEs & Free Zone Persons**

### **Fundamentals of UAE Corporate Tax for SMEs.**

#### **Module 1: Overview of UAE Corporate Tax Regime.**

- Purpose and introduction of Corporate Tax in UAE.
- Federal Decree-Law No. 47 of 2022 – key definitions.
- Scope and applicability of the law.
- Distinction between mainland and Free Zone Persons.
- Exempt persons and small business relief.

#### **Module 2: Taxable Persons & SME Specific Provisions.**

- Definition of Taxable Persons: Natural vs. Legal.
- Small Business Relief (Article 21): eligibility, thresholds (AED 3M).
- Treatment of sole proprietorships and partnerships.
- Anti-fragmentation rule.

#### **Module 3: Taxable Income Calculation.**

- Determination of taxable income under IFRS.
- Adjustments to accounting profit.
- Non-deductible expenses (e.g., fines, entertainment).
- Treatment of revenue recognition, depreciation, and provisions.

#### **Module 4: Tax Rates, Losses & Transitional Rules.**

- Corporate tax rate: 0% and 9%.
- Tax losses: carry forward rules, group loss relief.
- Transitional rules for existing businesses.
- Overview of penalties and compliance obligations.

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### **Free Zone Taxation, Compliance, and Best Practices.**

#### **Module 5: Free Zone Persons – Qualifying Status.**

- Who is a “Qualifying Free Zone Person”?
- Qualifying income vs. non-qualifying income.
- Mainland transactions and disqualification triggers.
- Application of 0% rate – conditions and compliance.

#### **Module 6: Transfer Pricing and Related Party Transactions.**

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- Overview of OECD Transfer Pricing principles.
- Arm's length principle and documentation.
- Related party transactions for SMEs.
- Country-by-Country Reporting (CbCR) – who is affected?

### **Module 7: Corporate Tax Filing & Compliance for SMEs.**

- Registration and deadlines with the FTA.
- Corporate Tax return form and filing process.
- Records to be maintained by SMEs.
- Voluntary disclosures and penalties.

### **Module 8: Practical Case Studies & Best Practices.**

- Case studies: SME with mainland operations.
- Case studies: Free Zone Person with mixed income.
- Checklist for tax readiness.
- Aligning tax compliance with financial reporting.

### **Training Materials Included**

- UAE Corporate Tax compliance checklist for SMEs.
- UAE tax guides, PPT, PDF slides, MCQ's & scenarios.
- Free Zone Qualifying Person evaluation template.
- Tax computation Excel template.
- Summary of key deadlines and rates.
- Case study handouts.

## **UAE VAT LAWS AND PROCEDURES**

### **Foundations of UAE VAT Law**

#### **Module 1: Introduction to UAE VAT Framework**

- Overview of VAT in the UAE.
- Understanding the inception and objectives of VAT implementation.
- Scope and Applicability.
- Identifying taxable persons, supplies, and the territorial scope.
- Standard and Zero Rates.
- Differentiating between standard-rated, zero-rated, and exempt supplies.

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## **Module 2: Tax Registration and Grouping**

- Mandatory and Voluntary Registration.
- Thresholds and timelines for registration.
- Tax Grouping.
- Criteria, benefits, and implications of forming a tax group.
- Recent Amendments.
- Changes introduced by Cabinet Decision No. 100 of 2024 affecting registration processes.

## **Module 3: Supply of Goods and Services**

- Defining Supply.
- Understanding what constitutes a supply of goods or services.
- Deemed Supplies.
- Identifying transactions treated as supplies for VAT purposes.
- Place of Supply Rules.
- Determining the location of supply for goods and services.

## **Module 4: Input Tax Recovery and Adjustments**

- Eligibility for Input Tax Recovery.
- Conditions under which input tax can be reclaimed.
- Apportionment Rules.
- Handling mixed-use inputs and calculating recoverable amounts.
- Adjustments and Corrections.
- Procedures for correcting input tax claims.

## **Advanced VAT Topics and Recent Amendments**

## **Module 5: Reverse Charge Mechanism and Designated Zones**

- Reverse Charge Mechanism (RCM).
- Applicability, compliance requirements, and reporting.
- Designated Zones.
- Understanding the VAT treatment of designated zones and recent clarifications.

## **Module 6: E-Invoicing and Digital Compliance**

- Introduction to E-Invoicing.
- Objectives and benefits of electronic invoicing.
- Regulatory Framework.

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- Provisions introduced by Federal Decree-Law No. 16 of 2024 supporting e-invoicing implementation.
- Implementation Roadmap.
- Timeline and phases for e-invoicing adoption in the UAE.

### **Module 7: Compliance, Penalties, and Dispute Resolution**

- VAT Returns and Record-Keeping.
- Filing requirements, deadlines, and documentation standards.
- Penalties and Offenses.
- Understanding administrative penalties and recent updates to enforcement provisions.
- Dispute Resolution Mechanisms.
- Procedures for challenging assessments and decisions.

### **Module 8: Practical Case Studies and Q&A**

- Case Studies.
- Analyzing real-world scenarios to apply VAT principles and recent amendments.
- Interactive Q&A Session.
- Addressing participant queries and clarifying complex topics.

### **Training Materials Provided**

- Comprehensive Training Manual.
- Covering all topics discussed, including legislative texts and practical examples.
- Latest Legislative Documents.
- Copies of Federal Decree-Law No. 8 of 2017, Federal Decree-Law No. 16 of 2024, and Cabinet Decision No. 100 of 2024.
- VAT Compliance Checklists.
- Tools to assist in ensuring adherence to VAT obligations.
- Case Study Workbook & MCQ'S.
- Exercises designed to reinforce learning through practical application.

### **NOTE:**

**Pre & Post Tests will be conducted**

**Case Studies, Group Exercises, Group Discussions, Last Day Review & Assessments will be carried out.**

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