

# COMPLIANCE REQUIREMENTS AND ECONOMIC SUBSTANCE REGULATIONS DEADLINES YOU MAY NEED TO KNOW



## UNITED ARAB EMIRATES MINISTRY OF FINANCE



### WHICH COMPANIES NEED TO COMPLY WITH THE UAE'S ECONOMIC SUBSTANCE REGULATIONS?

All companies and other business forms registered in the UAE and who earn income from a Relevant Activity must comply with the Economic Substance Regulations.

When determining whether a business undertakes a Relevant Activity it must take a 'substance over form' approach. This means looking beyond what is stated on the trade license or permit to the activities that were actually undertaken during a financial period.

## ECONOMIC SUBSTANCE NOTIFICATIONS AND RETURNS

If the Regulations do apply, the company is required to demonstrate economic substance and must file both a Notification and a Return.

### NOTIFICATIONS

- 30 June 2020 for financial years ending 31 December 2019
- Should be submitted in the form and manner specified by the Regulatory Authority

### RETURNS

- Due 12 months after financial year-end
- Should be submitted on the central filing portal that will be launched by MoF in Q4 of 2020

### THE UAE ECONOMIC SUBSTANCE TEST IS A 3 - POINT CHECK

1



The activity was directed and managed in the UAE

2



Relevant CIGAs were conducted in the UAE

3



The business had adequate employees, premises & expenditure in the UAE

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**THE MINISTERIAL REGULATIONS**

<https://www.mof.gov.ae/ar/StrategicPartnerships/Documents/Ministerial%2Bdecision%2Bno.%2B215%2Bfor%2Bthe%2Byear%2B2019.pdf>

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**THE RELEVANT ACTIVITIES GUIDE**

[https://www.mof.gov.ae/ar/StrategicPartnerships/Documents/Relevant%2BActivities%2BGuide%2B\\_April%2B2020.pdf](https://www.mof.gov.ae/ar/StrategicPartnerships/Documents/Relevant%2BActivities%2BGuide%2B_April%2B2020.pdf)

MoF provides full support for UAE businesses

VISIT WEBSITE

<https://www.mof.gov.ae/en/StrategicPartnerships/Pages/ESR.aspx>