



VAT-Scan: a rapid
and concrete
diagnosis of your
VAT compliance

VAT implementation in the UAE: new requirements for companies

The United Arab Emirates (UAE) will implement Value Added Tax (VAT) on 1 January 2018.

Under the general principles, VAT is:

- an **indirect tax applied to the consumption of goods and services** levied at each stage in the supply chain;
- **collected by VAT registered businesses** on behalf of the Government: such businesses **charge and add VAT to the value of goods and services they supply** and they can also **reclaim VAT incurred on goods and services acquired for business purposes**. VAT is then ultimately incurred and paid by the end consumer;
- expected to be introduced at a **rate of 5%** with some limited exceptions (life insurance, some financial services, healthcare, education, supply of residential properties, etc.).

Companies in the UAE will then **have to comply with a new set of obligations** in terms of:

- **VAT registration**
- **Calculation and reporting**
- **Invoicing and VAT payment**
- **VAT returns**

To help you identify key actions to perform
in order to comply with these new obligations

Rapid and efficient, VAT-Scan helps you identify the key points you need to consider with regard to this new VAT regime

Organisation	Perimeter	Deliverables	Price
Half-day meeting with the management and our VAT experts	Key points will be investigated (see below) with a focus on certain aspects upon request	Summary sheet with the key actions to be undertaken in order to comply with the new VAT regime	AED 4,000 (excluding VAT) per entity

Key points to be checked

VAT treatment of sales transactions

VAT treatment of purchase transactions

Scope of VAT exemption

Impacts on contracts (VAT clauses, description of the activities, etc.)

VAT deduction (full, partial or nil deduction)

Identification of VAT leakages

Invoicing

Accounting and reporting

VAT returns

VAT payments and follow-up

your
contact

Bruno Gasparotto,
Principal, Tax Law
bruno.gasparotto@arendt.com
Tel: (971) 44 34 88 96