

Cabinet Decision No. (85) of 2022

On the Determination of Tax Domicile

The Cabinet

Having reviewed the Constitution,

And Federal Law No. (1) of 1972 on the Competencies of Ministries and Powers of Ministers, and its amendments,

And Federal Decree-Law No. (13) of 2016 on the Establishment of the Federal Tax Authority, and its amendments,

And Federal Law No. (7) of 2017 on Tax Procedures, and its amendments,

And based on the proposal of the Minister of Finance and the approval of the Cabinet,

Has decided:

Article (1)

Definitions

For the purposes of this Decision, the following words and phrases shall have the meanings assigned to each of them, unless the context otherwise requires:

State	: The United Arab Emirates.
Minister	: The Minister of Finance.
Authority	: The Federal Tax Authority.
Person	: A natural or legal person.
Tax Resident	: A person who is a resident in the State as specified in Articles (3) and (4) of this Decision.
Business	: Any activity conducted regularly, continuously, and independently by any person, such as industrial, commercial, agricultural, professional, artisanal, service, or excavation activities, or anything related to the use of tangible or intangible properties.
Residence Permit	: The permit or authorization issued by the competent authorities in the State granting a natural person the right to reside or work within the territory of the State, and does not include any temporary permit for entry into the State for a limited period of time for temporary travel, tourism, sports, medical treatment, or any other purpose.
Permanent Place of Residence	: A place located in the State that is available to the natural person at all times.

International Agreement	: Any bilateral or multilateral agreement or any other convention to which the State is a party, which has been ratified by the parties.
Tax Domicile Certificate	: A certificate issued by the Authority confirming that a person is a tax resident in the State.
Tax	: Any federal tax imposed by a Tax Law, the administration, collection, and enforcement of which is entrusted to the Authority.
Tax Law	: Any federal law under which a Tax is imposed.

Article (2)

Objectives of the Decision

This Decision aims to specify the requirements and conditions for determining a person as a tax resident in the State.

Article (3)

Legal Person

A legal person shall be considered a tax resident in the State in either of the following two cases:

1. It was established, formed, or recognized in accordance with the legislation in force in the State, and this does not include a branch registered in the State by a foreign legal person.
2. It is considered a tax resident under the applicable Tax Law in the State.

Article (4)

Natural Person

A natural person shall be considered a tax resident in the State if they meet any of the following conditions:

1. If their usual or principal place of residence and their center of financial and personal interests are in the State, or if they meet the conditions and criteria specified by a decision of the Minister.
2. If they have been physically present in the State for a period of (183) one hundred and eighty-three days or more, during the relevant consecutive (12) twelve-month period.
3. If they have been physically present in the State for a period of (90) ninety days or more, during the relevant consecutive (12) twelve-month period, and hold the nationality of the State, or a valid residence permit in the State, or hold the nationality of any member state of the Gulf Cooperation Council for the Arab States, and meet any of the following:

- a. Has a permanent place of residence in the State.
- b. Carries out a job or business in the State.

Article (5)

Tax Domicile Certificate

1. A person who is considered a tax resident in the State in accordance with the provisions of Articles (3) or (4) of this Decision may submit an application to the Authority for the purpose of issuing a Tax Domicile Certificate.
2. The application referred to in clause (1) of this Article shall be submitted in the form and manner determined by the Authority.
3. If the Authority is satisfied that the applicant meets the conditions specified in Articles (3) or (4) of this Decision and that the application has been submitted in accordance with clause (2) of this Article, the Authority may approve the application and issue the Tax Domicile Certificate.

Article (6)

International Agreements

1. If any international agreement specifies certain conditions for determining tax domicile, the provisions of that international agreement shall apply for the purpose of determining tax domicile for the purposes of that international agreement.
2. The Minister shall issue a decision specifying the form and manner of issuing certificates for determining tax domicile for the purposes of the international agreement.

Article (7)

Powers of the Authority and Cooperation with it

1. The Authority may request all information, data, and documents relating to any person from all government entities in the State for the purposes of implementing the provisions of this Decision.
2. All government entities in the State shall cooperate fully with the Authority for the purposes of implementing the provisions of this Decision, including providing the Authority with all information, data, and documents relating to any person as requested by the Authority.

Article (8)

Executive Decisions

1. The Minister shall issue the necessary decisions to specify the conditions, controls, and standards for implementing any of the provisions of this Decision.

2. The Authority shall be responsible for issuing clarifications and directives for the application of any of the provisions of this Decision.

Article (9)

Publication and Entry into Force of the Decision

This Decision shall be published in the Official Gazette and shall come into force from 01 March 2023.

Issued by us:

On: 6 / Safar / 1444 H

Corresponding to: 2 / September / 2022

Mohammed bin Rashid Al Maktoum

Prime Minister