

Cabinet Decision No. (74) of 2023

Regarding the Executive Regulation of Federal Decree-Law No. (28) of 2022 on Tax Procedures

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 Decree-Law No. (7) of 2017 on Excise Tax, and its amendments,

And Federal Decree-Law No. (8) of 2017 on Value Added Tax, and its amendments,

And Federal Decree-Law No. (28) of 2022 on Tax Procedures,

And Cabinet Decision No. (37) of 2017 on the Executive Regulation of Federal Decree-Law No. (7) of 2017 on Excise Tax,

And Cabinet Decision No. (52) of 2017 on the Executive Regulation of Federal Decree-Law No. (8) of 2017 on Value Added Tax, and its amendments,

And Cabinet Decision No. (36) of 2017 on the Executive Regulation of 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

The definitions contained in the aforementioned Federal Decree-Law No. (28) of 2022 shall apply to this Decision, and the following words and phrases shall have the meanings assigned to each of them, unless the context otherwise requires:

Decree-Law: Federal Decree-Law No. (28) of 2022 on Tax Procedures.

Premises: The place of business of the Person subject to a Tax Audit, or any other place where they conduct their business, store goods, or keep records.

Assets: Tangible and intangible assets, including machinery, equipment, goods, and others, which the Authority considers to be owned, leased, or used for purposes related to the conduct of business by any Person.

Article (2)

Record Keeping

1. Accounting Records and Commercial Books shall include the following:
 - a. Records and books related to the business that prove or record payments, receipts, purchases, sales, revenues, expenditures, and any other matters that may be required by the Tax Law or any other applicable law, including but not limited to:
 - (1) Balance sheet and profit and loss accounts.
 - (2) Payroll records.
 - (3) Fixed asset records.
 - (4) Inventory records and accounts (including quantities and values) maintained at the end of any relevant Tax Period, and inventory count records for stock-taking.
 - b. All documents that support the entries in the Accounting Records and Commercial Books, including but not limited to:
 - (1) Correspondence, invoices, licenses, and contracts related to the business.
 - (2) Documents containing details of any election, estimate, determination, or calculation made by the Taxpayer in relation to the tax affairs of their business, including the basis or method of the estimate, determination, or calculation made.
2. In addition to the Accounting Records and Commercial Books referred to in Clause (1) of this Article, the Authority may request any other information to verify a Person's tax obligations through an auditable trail of documents, including their liability to register for Tax purposes.

Article (3)

Record Retention Period

1. All Accounting Records, Commercial Books, and information must be kept and maintained in a manner that enables the Authority or any employee authorized by it to ascertain the tax obligations imposed on the concerned Person, for the following periods, unless the Tax Law provides otherwise:
 - a. For a period of (5) five years following the Tax Period to which they relate, for a Taxable Person.
 - b. For a period of (5) five years from the end of the calendar year in which the relevant document was created, for all other non-Taxable Persons.
 - c. For a period of (7) seven years from the end of the calendar year in which the relevant document was created, with respect to real estate records.
2. In addition to the periods mentioned in Clause (1) of this Article, a Person must retain records and books for the following additional periods in the following cases:
 - a. For an additional (4) four years or until the date the dispute is finally resolved, whichever is later, in the event of a dispute between the Authority and the Person regarding their tax obligations.

- b. For an additional (4) four years if the Person is subject to a Tax Audit that has not been completed.
 - c. For an additional (4) four years if the Person is notified of the Authority's intention to conduct a Tax Audit before the end of the period mentioned in Clause (1) of this Article.
 - d. For an additional year starting from the date of submitting a Voluntary Disclosure, for a Taxable Person who submits a Voluntary Disclosure in the fifth year from the end of the relevant Tax Period.
3. Subject to Clauses (1) and (2) of this Article, the Legal Representative must retain the records and books of the Person they represent for a period of one year from the date on which that legal representation ends.

Article (4)

Method of Keeping Accounting Records and Commercial Books

1. The obligation to keep Accounting Records and Commercial Books is fulfilled by any of the following means:
- a. Creating a record while retaining the original documents supporting the entries therein.
 - b. Creating a record while retaining the information contained in the original documents, provided that the following are available:
 - (1) The information in the record matches the data in the original document and remains available during the time periods referred to in Article (3) of this Decision.
 - (2) The information is saved or stored in a photographic or electronic format, from which a copy can be extracted within the period specified by the Authority in accordance with the provisions of Article (48) of the Decree-Law, in a manner that is easy to read when requested by the Authority.
 - (3) The information is saved or stored in a manner that allows the Authority to verify the Person's tax obligations.
2. The Authority may establish rules for the retention of information contained in Accounting Records and Commercial Books, and may specify appropriate requirements to ensure the availability of this information as if the original documents were the ones that were kept.

Article (5)

Language

1. The Authority may accept data, information, records, and any other documents related to any tax submitted to the Authority in English. The Authority, at its discretion, may require the Person to translate some or all of them into Arabic.

2. The translation of any Tax Return, data, information, records, documents, or other books into Arabic must be certified in accordance with the law regulating translation in the State, and submitted to the Authority within the period it specifies.

Article (6)

Procedures for Tax Registration, De-registration, and Amendment of Data

1. A tax registration application must be submitted to the Authority, in accordance with the form and mechanism approved by it, and it may specify any supporting documents that must be submitted for this purpose.
2. The Authority shall review the tax registration application, in accordance with the rules approved by it in this regard.
3. Tax registration is effected by issuing a Tax Registration Number to the applicant or by reactivating a previous Tax Registration Number if the applicant had a suspended Tax Registration Number.
4. The Registrant must notify the Authority, in accordance with the form and mechanism approved by it, within (20) twenty working days of any change to their data held by the Authority, including:
 - a. Name, address, and email.
 - b. The activity registered in the trade license.
 - c. The legal form and partnership agreement for joint ventures, and the memorandum of association or its equivalent.
 - d. The nature of the Registrant's business.
 - e. The address from which the Registrant conducts any business.
5. A tax de-registration application must be submitted to the Authority, in accordance with the form and mechanism approved by it, and it may specify any supporting documents that must be submitted for this purpose.
6. The Authority shall review the tax de-registration application, in accordance with the rules approved by it in this regard.
7. In cases where the Registrant does not apply to de-register their tax registration, the Authority may de-register their tax registration in accordance with the controls and procedures stipulated in the Tax Law.
8. Tax de-registration is effected by suspending the Tax Registration Number.
9. The Authority shall notify the Person of their tax registration, de-registration, or reactivation in accordance with the mechanism it has approved in this regard.

Article (7)

Obligations of Licensing Bodies in the State

The relevant government bodies that grant licenses to Persons to conduct business shall, within (20) twenty working days from the date of issuance or renewal of the license, notify the Authority according to the mechanism specified by it. The notification must include the following:

1. Name of the licensee.
2. Type, number, and date of issuance of the trade license.
3. Registered address of the licensee.
4. Description of business activities.
5. Data of owners, partners, and directors.
6. Any other information requested by the Authority.

Article (8)

Legal Representative

1. A person who has been appointed as a Legal Representative of a Taxable Person must notify the Authority according to the mechanism it specifies, enclosing an appropriate document to prove their appointment. The notification must include the following:

- a. Name and address of the Legal Representative.
 - b. Name, address, and Tax Registration Number, if any, of the Taxable Person represented by the Legal Representative.
 - c. The term of appointment, if there is a specific term.
 - d. Responsibilities of the Legal Representative.
2. The Authority may request any additional information regarding the appointment of the Legal Representative, and may obtain such information from the Legal Representative, the concerned Taxable Person, and any other person to verify such appointment.
3. Upon acceptance of the request for the appointment of a Legal Representative, the Authority shall inform the Legal Representative within (20) twenty working days from that date.

Article (9)

Allocation of Payments and Credit Balance

1. If a Taxable Person pays an amount to the Authority without specifying the type of tax or the Tax Period, the Authority may allocate the amount or part of it to settle any amounts due to the Authority from the Taxable Person according to the seniority of the due date of those amounts to the Authority.
2. If the payments received by the Authority in accordance with Clause (1) of this Article exceed the current obligations of the Taxable Person, the Authority has the

right to record this excess amount as a credit balance against the Taxable Person's future obligations, unless the Taxable Person requests a refund of the excess amount in accordance with Article (38) of the Decree-Law.

3. The Authority may allocate the credit balance or part of it to settle any amounts due to it from the Taxable Person according to the seniority of the due date of those amounts to the Authority.

4. The Authority shall notify the Taxable Person of how the amounts and the credit balance have been allocated in accordance with Clauses (1) and (3) of this Article.

Article (10)

Submission of a Voluntary Disclosure

1. If it becomes clear to a Taxable Person that a Tax Return submitted to the Authority or a Tax Assessment issued by the Authority concerning them is incorrect, resulting in the calculation of the Payable Tax according to the Tax Law being less than it should be, the following shall apply:

a. If the amount exceeds (10,000) ten thousand dirhams, they must submit a Voluntary Disclosure within (20) twenty working days from the date they became aware of the error.

b. If the amount is equal to (10,000) ten thousand dirhams or less, they must do the following:

(1) If the Taxable Person is obligated to submit a Tax Return to the Authority, correct the error in the Tax Return for the previous Tax Period that is not yet due or in the Tax Return for the Tax Period in which the error was discovered, whichever is earlier.

(2) Submit a Voluntary Disclosure within (20) twenty working days from the date they became aware of the error, if there is no Tax Return through which the error can be corrected in accordance with sub-paragraph (1) of this clause.

2. If it becomes clear to a Taxpayer that a tax refund application submitted to the Authority is incorrect, resulting in the calculation of the amount they were entitled to recover according to the Tax Law being more than the correct value, they must submit a Voluntary Disclosure to the Authority within (20) twenty working days from the date they became aware of the error, unless it arose from an incorrect Tax Return or Tax Assessment, in which case the provision of Clause (1) of this Article shall apply.

3. If it becomes clear to a Taxpayer that there is an error or omission in a Tax Return submitted to the Authority, without there being a difference in the amount of Payable Tax, they must correct the error or submit a Voluntary Disclosure, as determined by the Authority.

4. For the purpose of implementing the provision of this Article, the Voluntary Disclosure must be submitted using the forms and mechanism specified by the Authority.

Article (11)

Means of Notification

1. The Authority shall notify the Person, their Tax Agent, or their Legal Representative, as the case may be, at the address registered with it through any of the following means:

- a. Mail, registered mail, email, text messages on a mobile phone, smart applications, or the Authority's electronic system.
- b. Posting it in a prominent place at the person's premises.
- c. Any other means agreed upon in writing between the person and the Authority.

2. For the purposes of this Article, the registered address includes, without limitation, the address that the person has provided to the Authority, the address he usually uses, or his last known place of residence or business.

Article (12)

Conditions and Controls for Registering a Tax Agent

1. A natural person wishing to be registered in the Register of Tax Agents must meet all of the following conditions:

- a. To be of good conduct and behavior.
- b. Not to have been previously convicted of a felony or misdemeanor prejudicial to honor or integrity, even if he has been rehabilitated.
- c. To have the minimum education and experience relevant to the field of tax, accounting, or law, in any of the following forms:
 - (1) At least (3) three years of experience gained during the previous five years, and holding at least a certified bachelor's or master's degree in the field of tax, accounting, or law from an educational institution recognized by the competent authority in the State.
 - (2) At least (3) three years of experience gained during the previous five years, and holding a certified bachelor's degree in any other field from an educational institution recognized by the competent authority in the State, in addition to a valid professional certificate from a recognized institution, as determined by the Authority.
 - (3) At least (5) five years of experience gained during the previous eight years, and holding a certified bachelor's degree in any other field from an educational institution recognized by the competent authority in the State.
- d. To complete any necessary training specified by the Authority and to pass any qualification tests specified by the Authority.
- e. To be fluent in Arabic or English, both spoken and written.

f. To have insurance or be covered by an insurance policy against professional liability commensurate with the nature and volume of the Tax Agent's business.

g. To have a license or work for an entity licensed by the competent authority.

h. Not to be a current member of the Committee.

2. A legal person wishing to be registered in the Register of Tax Agents must meet all of the following conditions:

a. To be licensed as an audit firm, tax firm, or law firm.

b. To have insurance or be covered by an insurance policy against professional liability commensurate with the nature and volume of its business.

c. One of the partners or directors must meet all the conditions prescribed for a natural person in Clause (1) of this Article, supervise the services provided by the legal person, and not work for or on behalf of another legal person.

d. To meet any additional conditions specified by the Authority.

3. The application for registration in the Register must be submitted to the Authority in the form and manner specified by the Authority.

4. The Authority may, before deciding on the application for registration in the Register, request additional information from the applicant, request a personal interview with the natural person in accordance with Clause (1) of this Article or the partner or director in accordance with paragraph (c) of Clause (2) of this Article, as the case may be, or inquire about the references and documents mentioned in the registration application.

5. The Authority may determine the provisions related to the procedures for registering a Tax Agent and the continuation, renewal, suspension, and cancellation of the registration.

Article (13)

Procedures for Registering and Cancelling a Tax Agent in the Register

1. The Authority shall study the applications for registration in the Register and must decide on the application or request additional information within (15) fifteen working days from the date of its receipt.

2. If the Authority requests additional information in accordance with Clause (1) of this Article, it must decide on the application within (15) fifteen working days from the date of receipt of the additional information.

3. If the Authority approves the application for registration in the Register, it must notify the applicant thereof within (5) five working days and request payment of the due fees.

4. The due fees in accordance with Clause (3) of this Article must be paid within (20) twenty working days from the date of notification of approval. If the due fees are not paid within this period, the application shall be considered cancelled.
5. The Authority shall register the person in the Register of Tax Agents within (5) five working days from the date of payment of the fees.
6. The Authority may reject the application for registration of a person in the Register in either of the following two cases:
 - a. If the person does not meet any of the conditions specified in Article (12) of this Decision.
 - b. If his registration would negatively affect the integrity of the tax system in the State.
7. In case of rejection of the application, the Authority shall notify the applicant thereof within (5) five working days from the date of its rejection of the application.
8. The registration in the Register shall be for a period of (3) three years from the date of registration for a natural person and for a period of one year from the date of registration for a legal person. The Tax Agent may apply to the Authority to renew his registration in the Register, provided that this is done no later than (20) twenty working days before the expiry of his registration and the payment of the prescribed fees within the period specified by the Authority.
9. Any renewal application submitted after the expiry of the period specified in Clause (8) of this Article shall be treated as a new application and must meet the conditions specified in Article (12) of this Decision.
10. If the Tax Agent does not submit an application to renew his registration before the expiry of the periods referred to in Clause (8) of this Article, his registration shall be cancelled and his association with all persons he represents before the Authority shall be terminated, effective from the date of expiry of his registration in the Register.
11. The Tax Agent must notify the Authority in the event he ceases to practice his profession as a Tax Agent in accordance with Clause (2) of Article (13) of the Decree-Law, in the form and manner specified by the Authority.
12. The Authority may cancel the registration of the Tax Agent from the Register upon his request.
13. The Authority must cancel the registration of the Tax Agent from the Register in any of the following cases:
 - a. If it is proven to the Authority that he is unable to perform his tasks or duties or no longer meets the conditions specified in Article (12) of this Decision.

- b. If the Authority has serious reasons to believe that the continued registration of the person as a Tax Agent in the Register would negatively affect the integrity and safety of the tax system in the State.
 - c. If he commits any serious violation of the provisions of the Decree-Law or the Tax Law, or commits or participates in tax evasion.
 - d. If it becomes clear to the Authority that he is a current member of the Committee.
14. The Authority shall notify the Tax Agent and his clients of the decision to cancel the registration within (5) five working days from the date of its issuance, and shall inform the Tax Agent of the reasons on which this decision was based.
15. Clause (14) of this Article entails the termination of the Tax Agent's association with all persons he represents before the Authority after (5) five working days from the date of notification of the Authority's decision.

Article (14)

Obligations and Rights of the Tax Agent

1. When performing his duties, the Tax Agent must adhere to the following:
 - a. Assisting the person he represents before the Authority with his tax obligations, in accordance with the agreement concluded between them.
 - b. Maintaining the confidentiality of any information obtained in the course of performing his duties as a Tax Agent, without prejudice to any obligation to disclose such information in accordance with the Decree-Law.
 - c. To continue to meet the requirements of his professional development program as determined by the Authority.
 - d. Refraining from participating in any work or scheme that could lead to a violation of any law by any person or that could negatively affect the integrity and safety of the tax system.
 - e. Retaining information, documents, records, and data related to any person he represents.
2. While performing his duties, the Tax Agent may rely on the information he has obtained from the person he represents, unless he has reason to believe that this information is incorrect.

Article (15)

Conducting a Tax Audit

1. Before making a decision to conduct a tax audit, the Authority must consider the following:
 - a. That the tax audit is necessary to protect the integrity and safety of the tax system.

- b. The responsibility of the person or any person associated with him for compliance with the Decree-Law or the Tax Law.
 - c. The tax revenues expected to be collected.
 - d. The compliance and administrative burdens on both the Authority and the person associated with conducting the tax audit.
2. The Authority may conduct an audit on a person who has been previously audited, taking into consideration the following:
- a. The results of the previous tax audit.
 - b. Any new information or data that would change the Authority's position.
3. The Authority's decision to conduct a tax audit is at its discretion, and no person has the right to object to or appeal it.

Article (16)

Notification of a Tax Audit

1. The Authority must notify the person of the tax audit at least (10) ten working days before conducting the tax audit. The notification sent by the Authority must include a reference to the potential consequences that could result from obstructing the tax auditor's work.
2. For the purposes of applying Clause (4) of Article (16) of the Decree-Law, the Authority must notify the person in writing of the start of the tax audit process, to the following:
- a. The occupying tenant of the premises if present at the start of the tax audit.
 - b. The person who appears to be in charge of the premises in the absence of the occupying tenant.
3. If the Authority deems that notifying the person of the tax audit by the means indicated in this Article is ineffective, the person may be notified by posting the notification in a prominent place at the premises where the tax audit will be conducted.

Article (17)

Tax Audit Procedures

1. For the purposes of conducting a tax audit, the Authority may examine the following:
- a. The premises and the documents and assets located therein.
 - b. Electronically stored data and records.
 - c. The accounting systems used by the person subject to the tax audit.
2. For the purposes of applying Clause (1) of this Article, the occupying tenant of the premises or any person considered by the Authority to be in control of it in the

absence of the occupying tenant must provide the Authority with all necessary facilities to exercise its powers effectively.

3. Any employee of the Authority may accompany the tax auditor to the premises if the tax auditor considers it necessary to enable him to exercise his powers effectively.

4. The Authority may notify the person to provide any information or produce any documents related to him or any other person if such documents or information are necessary in the Authority's discretion.

5. If the person is notified to provide information or submit documents under Clause (4) of this Article, he must do so within the time period and in the form, manner, and place specified in the notification.

6. A tax auditor conducting an audit under a warrant issued by the Public Prosecution must present the approval issued by the Authority and the warrant issued by the Public Prosecution, in addition to proof of his identity if requested.

Article (18)

Seizure and Retention of Documents or Assets

1. When performing his duties, a tax auditor may do the following:

- a. Take a copy of documents.
- b. Place marks on original documents and assets to indicate that they have been inspected.
- c. Seize documents and assets.
- d. Obtain and record information related to the premises, assets, documents, and accounting systems that have been examined.

2. A tax auditor may seize any assets or documents for the periods he determines for the purpose of completing the tax audit.

3. If a document or asset is seized in accordance with paragraph (c) of Clause (1) of this Article, the Authority must provide a report detailing what was seized within (10) ten working days from the date of seizure, or within any other period specified by the Authority, to any of the following:

- a. The owner of the document or asset.
- b. The occupying tenant of the premises where the document or asset was seized.
- c. The person who had possession or control of the document or asset immediately before it was seized.

4. The report referred to in Clause (3) of this Article must include the following:

- a. The purpose of seizing the document or asset.
- b. The nature and description of the document or asset.
- c. The storage location of the document or asset and the storage conditions.

d. The expected period of seizure by the Authority.

5. The Authority may transport, preserve, and store any documents or assets seized under Clause (1) or (2) of this Article for the period required to complete the tax audit, subject to the following conditions:

a. The documents or assets that were seized and retained shall be returned to the person to whom the report was submitted in accordance with Clause (3) of this Article in the best practicable condition.

b. The Authority may dispose of assets that are perishable or prone to deterioration by their nature in accordance with the Authority's internal procedures.

6. The Authority must notify the owner of the asset, and if it is not possible to notify the owner, notify any person specified in paragraph (b) or (c) of Clause (3) of this Article, of its intention to dispose of the asset in whole or in part, and give him an opportunity to retrieve it in whole or in part at least (10) ten working days before disposing of the asset in accordance with paragraph (b) of Clause (5) of this Article.

7. The Authority shall not be liable for any damage resulting from its disposal of assets in accordance with paragraph (b) of Clause (5) of this Article.

8. If the person whose asset or document has been seized submits a request to inspect it, the Authority may do the following:

a. Allow him to inspect the document or asset under its supervision, or photograph the document or photocopy it, or photograph the asset and provide the photograph or photocopy to the concerned person.

b. Reject the request if it considers that it would prejudice any of the following:

(1) The tax audit.

(2) A tax audit related to another person.

(3) Any investigation related to any of the documents or assets requested for inspection.

(4) Any criminal proceedings related to the document or asset requested for inspection.

9. In the event the Authority needs to keep the records and books for a period longer than that mentioned in Clause (3) of Article (3) of this Decision, it may seize and retain them for a period it determines.

Article (19)

Result of the Tax Audit

1. The person subject to the tax audit shall be notified of the result of the tax audit within (10) ten working days of its completion.

2. The person subject to the tax audit may, upon request, review or obtain the documents, data, and information on which the Authority relied in assessing the tax due as stated in the tax audit results.

It is submitted according to the form determined by the Authority within (20) twenty working days from the date of notification of the tax audit results.

3. Subject to clause (4) of this Article, the Authority must provide the Person with the documents, data, and information requested under clause (2) of this Article within (10) ten working days of receiving the request, as follows:

- a. A hard or soft copy of the requested documents, data, or information.
- b. An original copy of the requested documents, data, or information if these documents, data, or information belong to the Person subject to the tax audit who submitted the request.
4. The Authority is not obligated to provide the Person with the following:
 - a. Documents, data, or information that could reveal any internal correspondence or decisions made by the Authority.
 - b. Any confidential documents, data, or information belonging to another person.
 - c. Any documents, data, or information that may be in the possession of the Person subject to the tax audit who submitted the request, in which case the Authority must provide the Person subject to the tax audit with sufficient information to allow them to identify the required documents, data, and information.

Article (20)

Tax Assessment

1. A Tax Assessment must include sufficient information to determine the value of the Tax Payable or Tax Refundable and any other matters specified by the Tax Law, and must include at least the following information related to the relevant Person:

- a. Name and address.
 - b. Tax Registration Number, if any.
 - c. The Tax Assessment reference number.
 - d. The type of tax being assessed.
 - e. A summary of the tax, including details of the declared tax and adjustments made.
 - f. The reasons on which the Tax Assessment is based.
 - g. The net amount of tax due to the Authority or to be refunded by it.
 - h. The due date for payment of the tax due and the method of payment.
2. When an amount of tax due to the Authority is assessed and the Person is notified, it becomes a debt due and payable to the Authority and can be collected on that basis.

Article (21)

Assessment of Administrative Penalties

1. An assessment of Administrative Penalties must include at least the following information:
 - a. The Person's name and address.
 - b. The Taxable Person's Tax Registration Number, if any.
 - c. The violation that necessitated the assessment of Administrative Penalties.
 - d. A summary of the Administrative Penalties, including:
 - (1) The amount of the imposed Administrative Penalty.
 - (2) The amount of tax to which the imposed Administrative Penalty relates, if any.
 - e. The total Administrative Penalties due to the Authority.
2. When an amount of Administrative Penalties is assessed and the Person is notified, it becomes a debt due and payable to the Authority from the date of notification and can be collected on that basis.

Article (22)

Procedures and Measures

1. The Authority may sell seized goods and abandoned goods that are perishable, subject to shortage or leakage, or are in a condition that could affect the safety of other goods or the facilities in which they are located, in accordance with the procedures set out in this Article.
2. The Authority shall do the following:
 - a. Draw up a record stating the seized goods and the reasons for their seizure.
 - b. Provide a copy of the record to the owner, and if it is not possible to notify the owner, notify any person specified in paragraph (b) or (c) of clause (3) of Article (18) of this Decision.
 - c. Notify the owner of the goods, and if it is not possible to notify the owner, notify any person specified in paragraph (b) or (c) of clause (3) of Article (18) of this Decision, of the decision to sell the goods, the reasons for it, and the date set for the sale.
3. The sale under this Article must be conducted through public auction according to the procedures determined by the Authority.
4. The Authority may destroy or dispose of the seized goods, after notifying the owner, in the following cases:
 - a. It was not possible to sell the goods in accordance with this Article.
 - b. The seized goods were perishable or susceptible to damage by their nature, thus losing their value, in accordance with the Authority's internal procedures.

5. The owner of the seized goods may request their return after paying the full tax, administrative penalties due, and any other expenses related to those goods, provided that such goods are permitted to be sold and traded in the State, under the following conditions:

a. He must notify the Authority within (5) five working days from the date of being notified of the seizure.

b. He must provide the Authority with evidence proving the following:

(1) His ownership of the seized goods.

(2) His payment of the full tax, administrative penalties, and expenses related to those seized goods.

6. The Authority shall determine the procedures and controls for the storage and transportation of seized goods that are perishable, subject to shortage or leakage, or are in a condition that could affect the safety of other goods and the facilities in which they are located.

Article (23)

Reconciliation in Tax Evasion Crimes

1. Before initiating criminal proceedings, the Authority may reconcile in crimes of Tax Evasion and deliberate refusal to pay administrative penalties in exchange for payment of the full Tax Payable and administrative penalties.

2. Before initiating criminal proceedings, the Authority may reconcile in the crimes stipulated in clause (4) of Article (25) of the Decree-Law, upon payment of an amount of (50,000) fifty thousand Dirhams. If any of these crimes results in, facilitates, or conceals Tax Evasion, reconciliation shall be by paying the consideration specified in clause (1) of this Article.

3. After initiating criminal proceedings, during the investigation and trial stage and before a conviction is issued, the Public Prosecution may, after seeking the opinion of the Authority, reconcile in tax crimes in exchange for payment of the following amounts:

a. The full Tax Payable and administrative penalties in addition to an amount equal to (50%) fifty percent of the evaded tax for the crimes stipulated in clause (2) of Article (25) of the Decree-Law.

b. The full Tax Payable and administrative penalties in addition to an amount equal to (50%) fifty percent of the evaded tax, if any, for the crime of deliberate refusal to pay administrative penalties stipulated in clause (3) of Article (25) of the Decree-Law.

c. An amount of (100,000) one hundred thousand Dirhams for each of the crimes stipulated in clause (4) of Article (25) of the Decree-Law. If any of these crimes results in, facilitates, or conceals Tax Evasion, reconciliation shall be by paying the consideration specified in paragraph (a) of this clause.

4. After a conviction is issued, the Public Prosecution may, after seeking the opinion of the Authority, reconcile in tax crimes in exchange for payment of the following amounts:

a. The full Tax Payable and administrative penalties in addition to an amount equal to (75%) seventy-five percent of the evaded tax for the crimes stipulated in clause (2) of Article (25) of the Decree-Law.

b. The full Tax Payable and administrative penalties in addition to an amount equal to (75%) seventy-five percent of the evaded tax, if any, for the crime of deliberate refusal to pay administrative penalties stipulated in clause (3) of Article (25) of the Decree-Law.

c. An amount of (200,000) two hundred thousand Dirhams for each of the crimes stipulated in clause (4) of Article (25) of the Decree-Law. If any of these crimes results in, facilitates, or conceals Tax Evasion, reconciliation shall be by paying the consideration specified in paragraph (a) of this clause.

5. If more than one of the acts stipulated in clause (4) of Article (25) of the Decree-Law are committed for a single purpose and are indivisibly linked, reconciliation for all these acts combined shall be in exchange for payment of the amount stated in paragraph (c) of clause (3) or paragraph (c) of clause (4) of this Article, as the case may be.

Article (24)

Conditions, Controls, and Procedures for Reconciliation

1. The request for reconciliation shall be submitted by the Person to the Authority on the form prepared for this purpose, before the initiation of criminal proceedings. The form must include the Person's undertaking to pay all amounts due as consideration for the reconciliation.

2. The Authority shall decide whether to accept or reject the reconciliation request. If it decides to accept, a record shall be drawn up to that effect, which includes proof of the reconciliation and its consideration, signed by both parties. A copy shall be given to the Person after paying the consideration for reconciliation.

3. The request for reconciliation shall be submitted by the accused or the convicted person, as the case may be, at any stage of the criminal proceedings to the competent Federal Public Prosecution.

4. Before proceeding with reconciliation procedures in tax crimes, the Public Prosecution shall seek the opinion of the Authority. If no response is received from the Authority within (20) twenty working days, it shall be considered as an implicit approval of the reconciliation.

5. The Public Prosecution shall draw up a record of reconciliation after the full payment of the tax, due administrative penalties, and the additional consideration for reconciliation. It shall be signed by the competent member of the Public Prosecution

and the accused or convicted person, and approved by the Federal Attorney General. The record must include the following:

- a. Details of the accused or convicted person.
- b. A description of the charges against the accused or convicted person, the date and place of their occurrence, and the applicable legal articles.
- c. The amount of tax and administrative penalties due.
- d. A statement of the percentage and amount of the additional consideration for reconciliation.

The record must be accompanied by proof of payment of the said amounts. If the administrative penalties are paid in installments or waived in accordance with Article (50) of the Decree-Law, or if the payment of the additional consideration for reconciliation is deferred or paid in installments in accordance with clause (9) of this Article, the record shall be accompanied by a payment plan for the deferred or installment amounts, as the case may be. The Authority and the competent court shall be notified of the approved reconciliation record, as the case may be.

6. The Public Prosecution shall order the suspension of the execution of the sentence if reconciliation takes place during its execution, even after the judgment has become final.

7. The completion of reconciliation as described above shall result in the extinguishment of the criminal case for the incident subject to reconciliation and the cancellation of all its effects.

8. The multiplicity of accused or convicted persons in a criminal case shall not prevent the Public Prosecution from initiating reconciliation procedures with one or some of them. The effect of the reconciliation shall extend to all accused or convicted persons in the same incident.

9. The Public Prosecution may, upon the request of the accused or convicted person, order the deferment of payment of the reconciliation consideration and its payment in installments under the following conditions:

- a. The deferment or installment plan shall not include the Tax Payable or administrative penalties.
- b. The period of deferment or installments shall not exceed two years.
- c. The accused or convicted person shall provide sufficient guarantees.

The Public Prosecution shall have the right to revoke the deferment or installment order if it finds a reason to do so.

10. The reconciliation shall be considered null and void, and all its effects shall cease, if the accused or convicted person fails to comply with clause (9) of this Article, or breaches the payment plan referred to in clause (5) of this Article.

11. In all cases, the payment of the reconciliation consideration, represented by the Tax Payable and administrative penalties, shall be for the benefit of the Authority.

Article (25)

Extension of Deadlines

1. The Authority may extend the deadline for deciding on a request to review a Tax Assessment and a request for reconsideration, which meets the formal requirements, for a period of (20) twenty working days if the extension is necessary to decide on the request.
2. The Committee may extend the deadline for deciding on a Tax Objection, which meets the formal requirements, for a period of (60) sixty working days if the extension is necessary to decide on the objection.
3. The Authority may, at the request of the concerned parties, extend the period for accepting a request to review a Tax Assessment or a request for reconsideration in cases it deems appropriate.
4. The Committee may, at the request of the concerned parties, extend the period for accepting a Tax Objection if there is a reason beyond their control, a sudden incident, emergency circumstances, or force majeure that prevented the ability to submit the Tax Objection within the specified deadlines.
5. For the purposes of clauses (3) and (4) of this Article, the request must be submitted including the justifications for the extension and the reasons related to the subject of the review, reconsideration, or objection.

Article (26)

Tax Refund Procedures

1. A taxpayer entitled to a tax refund under the Tax Law or the Decree-Law may submit a refund request in the form and manner determined by the Authority.
2. The Authority must decide on the refund request under clause (1) of this Article and notify the taxpayer of its decision within (20) twenty working days from the date of submitting the refund request or within any other period necessary to decide on the refund request, provided the taxpayer is notified thereof.
3. If the Authority approves the refund request, it must, within (5) five working days from the date of notification under clause (2) of this Article, take measures to refund the amount to the taxpayer in the manner determined by the Authority.
4. The Authority may postpone the tax refund until any tax returns that were due to be submitted to the Authority have been received but were not submitted when the tax refund request was received. The excess amount in this case, if any, shall be refundable after submitting those tax returns, subject to the conditions stated in the Decree-Law and the Tax Law.

Article (27)

Payment of Tax and Administrative Penalties in Cases of Bankruptcy

1. If a business or part of it is subject to bankruptcy proceedings and a person is appointed as a bankruptcy trustee, he shall be treated as representing the Person with respect to his business or part of his business, until the end of his appointment term.
2. The appointed bankruptcy trustee must notify the Authority of his appointment within (20) twenty working days from the date of his appointment in accordance with the text of Article (8) of this Decision.
3. The Authority must notify the appointed bankruptcy trustee of the amount of tax due or its intention to conduct a tax audit for a specific tax period or periods, within (20) twenty working days from the date the Authority is notified of the appointment of the bankruptcy trustee in accordance with clause (2) of this Article.
4. The bankruptcy trustee must pay the Tax Payable to the Authority in accordance with the mechanism for paying the Tax Payable under the Decree-Law and the Tax Law.

Article (28)

Confidentiality and Disclosure of Information

1. Employees of the Authority and persons assigned by it to implement the provisions of the Decree-Law or the Tax Law must, during and after the end of their employment and assignment, not disclose information that was in their possession or that they became aware of during their employment or by virtue of carrying out their assigned tasks, except in the following cases:
 - a. The disclosure is based on a decision from the judicial authority for the purposes of a civil or criminal case before the competent court in a matter falling within the scope of the Authority's work.
 - b. The disclosure is to a competent government entity after its designation by a decision of the Board of Directors, by concluding a memorandum providing for the disclosure, specifying the permitted use of the disclosed information, and the procedures that have been taken.

For the purpose of monitoring, security, subsequent authorization, and accuracy of information, including access to this information by persons.
 - c. The disclosure is in implementation of international agreements or treaties.
 - d. The disclosure is related to the person, their legal representative, or their tax agent, upon a request from any of them regarding the person's file held by the Authority.
 - e. The disclosure is to a competent employee of the Authority, provided it is done in a place in accordance with the conditions related to confidentiality, under which the Authority expects that person to perform their duties and function.

2. For the purposes of implementing the provisions of clause (1) of this Article, "employees of the Authority" means each of the following:

- a. The Chairman and members of the Board of Directors.
- b. The Director General.
- c. Any other employee of the Authority.

3. For the purposes of implementing the provisions of this Article, the Board of Directors may determine the following:

- a. The employees of the Authority and the persons assigned by it whose functions permit them to disclose information, and the nature or category of such information that is permitted to be disclosed.
- b. The date on which disclosure is permitted.

Article (29)

Request for Information and Documents

The Authority may request accounting records, commercial books, and any other data and information from any person in order to carry out its functions and powers under the Decree-Law, the Tax Law, and any executive decisions thereof.

Article (30)

Repeals

- 1. Cabinet Decision No. (36) of 2017 concerning the Executive Regulation of Federal Law No. (7) of 2017 on Tax Procedures, and its amendments, is hereby repealed.
- 2. Any provision that violates or contradicts the provisions of this Decision is hereby repealed.
- 3. The decisions issued by the Authority and the procedures applied by it in implementation of Cabinet Decision No. (36) of 2017 concerning the Executive Regulation of Federal Law No. (7) of 2017 on Tax Procedures, and its amendments, shall continue to be in effect to the extent that they do not conflict with the provisions of this Decision, until decisions and procedures are issued to replace them in accordance with the provisions of this Decision.

Article (31)

Publication and Entry into Force of the Decision

- 1. This Decision shall be published in the Official Gazette and shall enter into force as of August 1, 2023.
- 2. Notwithstanding clause (1) of this Article, clause (2) of Article (12) of this Decision shall enter into force as of December 1, 2023.

Issued by us:

On: 22 / Dhu al-Hijjah / 1444 H

Corresponding to: 10 / July / 2023 AD

Mohammed bin Rashid Al Maktoum

Prime Minister