

Law No. (2) of 2018
Concerning
the Innovation Dirham Fee

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai

Having reviewed Law No. (5) of 1995 Establishing the Department of Finance,

And Law No. (14) of 2009 Concerning the Pricing of Government Services in the Emirate of Dubai and its amendments,

And Law No. (19) of 2015 Establishing the Museum of the Future and its amendments,

And Law No. (20) of 2015 Concerning the Imposition of the Innovation Dirham Fee and its Executive Regulations,

And Law No. (1) of 2016 Concerning the Financial System of the Government of Dubai,

And Decree No. (24) of 2007 Forming the Supreme Committee for Financial Policy in the Emirate of Dubai and its amendments,

Do hereby issue the following Law:

Title of the Law

Article (1)

This Law shall be cited as the "Innovation Dirham Fee Law No. (2) of 2018".

Definitions

Article (2)

The following words and expressions shall, wherever mentioned in this Law, have the meanings indicated opposite each of them, unless the context implies otherwise:

The Emirate : The Emirate of Dubai.

The Government : The Government of Dubai.

: The Department of Finance.

The
Department

The : The Dubai Future Foundation.
Foundation

The Board : The Board of Trustees of the Foundation.

The Chairman : The Chairman of the Board.

The : Government departments, public bodies and
Government institutions, councils, and government authorities,
Entity including the authorities supervising special
development zones and free zones, including the Dubai
International Financial Centre, and any other
government entity affiliated with the Government.

The Revenue : The financial return resulting from the provision of
services and the practice of various activities by a
Government Entity, which includes fees, fines, sales
proceeds, rental allowances, concession allowances,
and liquidation of guarantees.

The : The fee collected in accordance with the provisions of
Innovation this Law.
Dirham

Objectives of the Law

Article (3)

This Law aims to achieve the following:

1. To provide the necessary support for projects related to innovation.
2. To achieve the participation of community members and its various groups in bearing part of the costs and burdens incurred by the Government in the field of innovation.
3. To collect the Innovation Dirham according to clear and simple principles.

Scope of Application

Article (4)

The provisions of this Law shall apply to all Revenues, including Revenues collected by federal government entities for the benefit of the Government's public treasury.

Collection of the Innovation Dirham

Article (5)

A fee called the "Innovation Dirham" shall be added to the Revenue collected by a Government Entity in return for the services it provides and the activities it conducts. This fee shall be in the amount of (10) ten dirhams, the proceeds of which shall fully accrue to the account of the Foundation.

Revenues Exempted from the Innovation Dirham

Article (6)

The Innovation Dirham shall not be collected on Revenues collected for the following:

1. Services and activities for which the prescribed Revenue is less than (50) fifty dirhams.
2. Tariffs and prices collected by Government Entities for the goods and services they provide.
3. Fees of a tax nature as determined by the Department.
4. Costs of treatment and health services provided by health entities affiliated with the Government.
5. Traffic violations committed in the Emirate for which the prescribed fines are collected from other Emirates and the Gulf Cooperation Council countries.
6. Traffic violations committed in other Emirates and the Gulf Cooperation Council countries for which the prescribed fines are collected by the concerned entities in the Emirate.
7. Services provided to Government Entities whose budgets are included in the general budget of the Government.
8. Services exempted from the payment of the prescribed fees for their provision.

9. Any other services or activities determined by the Department upon the recommendation of the Foundation.

Controls for Collecting the Innovation Dirham

Article (7)

a- The Innovation Dirham shall be collected in accordance with the following controls:

1. The Innovation Dirham shall be collected for each prescribed Revenue for providing a service or activity, including fines imposed for acts that constitute a violation according to the provisions of the legislation in force in the Emirate.
2. If a financial claim includes several Revenues for different services or activities, whether provided in a single step or several steps, the Innovation Dirham shall be collected for each Revenue separately.
3. If a financial claim includes more than one Revenue related to services or activities belonging to more than one Government Entity, the Innovation Dirham shall be collected for each Revenue related to any service or activity separately, whether provided through a single window or through each of those entities.

b- The Innovation Dirham shall be collected upon the collection of the Revenue, whether by traditional, electronic, or smart means.

Refund of the Innovation Dirham

Article (8)

a- A refund of the amount paid as an Innovation Dirham may be requested in case of an error in its collection or calculation method.

b- The amount collected as an Innovation Dirham shall not be refunded if the customer cancels the service to which the collection of the Innovation Dirham was linked.

Deposit of the Innovation Dirham

Article (9)

a- All Government Entities that collect the Innovation Dirham, whether by themselves or through private entities contracted with them, must transfer the proceeds of this fee to the Department at the end of each month,

attaching a financial report that includes all the details specified by the Department.

b- The Department must deposit the Innovation Dirham collected under this Law into a special account with a local bank in the name of the Foundation.

Formation of the Investment Committee

Article (10)

A committee named the "Innovation Dirham Investment Committee" shall be formed within the Foundation by a decision of the Chairman. It shall be responsible for determining the ways to invest and develop the Innovation Dirham, proposing the allocation of its returns to support projects related to innovation, and presenting them to the Board for approval, in addition to any other tasks assigned to it by the Chairman or the Board.

Competencies of the Board

Article (11)

For the purposes of this Law, the Board shall establish the regulations, policies, and standards for projects related to innovation, which shall be approved by the Chairman or his authorized representative, in preparation for their circulation to Government Entities.

Withdrawal and Disbursement from the Bank Account

Article (12)

The Chairman or his authorized representative shall have the authority to carry out withdrawal, disbursement, and transfer operations from the special bank account for the Innovation Dirham, in accordance with the financial powers regulations approved by the Foundation.

Competencies of the Department

Article (13)

For the purposes of this Law, the Department shall undertake the following:

1. To resolve any dispute that arises concerning the Innovation Dirham, whether such dispute relates to the type of Revenue subject to the Innovation Dirham or to the method and controls of its collection.
2. To propose subjecting any Revenue to the Innovation Dirham, and to submit the necessary recommendations in this regard to the Supreme Committee for Financial Policy for approval.

Issuance of Executive Resolutions

Article (14)

The Chairman shall issue the resolutions necessary for the implementation of the provisions of this Law.

Repeals

Article (15)

Law No. (20) of 2015 and its aforementioned Executive Regulations are hereby repealed. Any provision in any other legislation shall also be repealed to the extent that it contradicts the provisions of this Law.

Publication and Commencement

Article (16)

This Law shall be published in the Official Gazette and shall come into force from the date of its publication.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

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