

Federal Decree-Law No. (7) of 2025

Amending Certain Provisions of Federal Decree-Law No. (7) of 2017

On Excise Tax

We, Mohamed bin Zayed Al Nahyan

President of the United Arab Emirates,

- 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. (7) of 2017 on Excise Tax, and its amendments,
- And based on the proposal of the Minister of Finance and the approval of the Cabinet,

Have issued the following Decree-Law:

Article One

The texts of Articles (3), (5), (16), and (19) of the aforementioned Federal Decree-Law No. (7) of 2017 shall be replaced by the following texts:

Article (3)

Calculation of Tax

A Cabinet Decision shall be issued, based on the Minister's proposal, to determine the following:

1. The Tax to be imposed on Excise Goods as a percentage of the Excise Price, provided that the tax rate imposed on such goods shall not exceed (200%) of the Excise Price of the good.
2. The Tax to be imposed on Excise Goods as a specific amount per unit of measurement, provided that such amount shall not exceed (100) one hundred dirhams per unit of measurement.
3. The unit of measurement, the basis for imposing the tax as a specific amount, and the method of calculating the Excise Price.

Article (5)

Tax Registration

1. It is prohibited for any person to conduct any activity falling within the activities mentioned in Clause (2) of Article (2) of this Decree-Law before registering for Tax purposes, in accordance with the provisions of this Decree-Law.
2. Without prejudice to the provision of Clause (1) of this Article, the person responsible for the due Tax in accordance with paragraphs (a) and (c) of Clause (1) of

Article (4) of this Decree-Law must apply to the Authority for Tax Registration in accordance with the provisions of the Tax Procedures Law, within (30) thirty days from the end of any month in which they conducted or intended to conduct any of such activities or from the effective date of this Decree-Law, whichever is later.

3. Without prejudice to the provision of Clause (1) of this Article, the person referred to in paragraph (b) of Clause (1) of Article (4) of this Decree-Law must apply to the Authority for Tax Registration in accordance with the provisions of the Tax Procedures Law, within (30) thirty days from the date they became aware, or should have become aware, that the person referred to in paragraph (a) of Clause (1) of the same Article has not fulfilled the requirements for paying the Tax.

4. The Executive Regulation of this Decree-Law shall specify the effective date of the Tax Registration referred to in this Article.

Article (16)

Deductible Tax

1. Deductible Tax shall consist of the following:

- a. Tax paid on Excise Goods that have been exported.
- b. Tax paid on Excise Goods that have become a component of another Excise Good on which Tax was or will be due.
- c. Tax paid on unsold Excise Goods in the event of a decrease in the rate or amount of Excise Tax imposed on this good, to the extent of the decrease in the tax rate or amount.
- d. Tax paid on Excise Goods in any other cases specified by the Authority and in accordance with the controls it sets.

2. The Executive Regulation of this Decree-Law shall specify the conditions and controls for deducting Tax in the cases mentioned in Clause (1) of this Article.

Article (19)

Payment of Tax

1. The Taxable Person must pay the Tax Due within the period specified by the Executive Regulation of this Decree-Law and in accordance with the procedures determined by the Authority.

2. A person exempted from registration under Clause (1) or Clause (3) of Article (6) of this Decree-Law must pay the due Tax upon the import of Excise Goods.

3. Any person who receives any amount as Tax or issues an invoice for it must pay it to the Authority, and it shall be treated in the same manner as Tax Due under the provisions of this Decree-Law.

Article Two

This Decree-Law shall be published in the Official Gazette and shall come into effect as of October 1, 2025.

Issued by us at the Presidential Palace - Abu Dhabi:

Date: 16 / Rabi' al-Awwal / 1447H

Corresponding to: 08 / September / 2025G

Mohamed bin Zayed Al Nahyan

President of the United Arab Emirates