



Newsletter
For
The Month of
August

Context

Relaxation in Customs Service Fees for movement of goods via Dubai Trade Ecommerce platform

Voluntary deregistration of tax agents

EXPO 2020: Countdown of 15 Days

VAT refund for tourists



Relaxation in Customs Service Fees for movement of goods via Dubai Trade Ecommerce platform

The UAE Government had launched “Emirates Blockchain Strategy 2021” for fostering a flexible business and investment environment in the Emirate of Dubai, in addition to support government with the private sector and its logistical advantages, purposes of simplifying and facilitating customs procedures and regulating the movement of personal goods through E-commerce channels.

The exemption is applicable for both import / export of B2C and B2B e-commerce shipments having value below the specified limit.

Brief Update on Customs Notices

Common Points

- ❖ The company is required to register in the Dubai Customs' customer registration system without the activity in the trade license.
- ❖ Logistics companies allowed to clear goods on behalf of their associated companies as registered business customers.
- ❖ Customs Declarations from Rest of World (ROW)/GCC or Free Zone (FZ)/Customs Warehouse (CW) to Local, GCC/ROW to FZ/CW or vice versa.
- ❖ Companies are permitted to amend or cancel personal goods customs declaration within 60 days from the date of registering the customs declaration
- ❖ They are kept along with all documents/orders, records of entry and exit of goods in an approved electronic archiving system.
- ❖ Companies' electronic declarations and invoices shall be accepted.
- ❖ Dubai Customs Tariff & Origin Department shall be the concerned department for dispute resolution
- ❖ Companies must obtain approvals for restricted goods.

Customs Notice No. 09/2021 (B2C e-commerce) 16/05/2021

- ❖ Customs Duty Exemption on goods whose value does not exceed AED 300 imported for personal purposes via postal parcels, courier companies.
- ❖ Tobacco and its derivatives, electronic smoking devices and tools, nicotine liquids, alcoholic beverages, and foods containing alcohol are excluded from exemption.
- ❖ No service charge for import of personal goods below AED 10,000
- ❖ Personal goods returned shall be exempted from Customs duties if returned within 60 days from the date of their exit.



Customs Notice No. 13/2021 (B2B e-commerce) 14/11/2021

- ✓ No service charge for movement of goods below AED 30,000
- ✓ Customs Declarations on transfer or transit within same or between Dubai based FZ / CW or FZ to CW or vice versa.

Voluntary deregistration of tax agents

It is a service provided by FTA to tax agents to delink from the tax agency registered with it and register with another tax agency.

Documents Required

- In the case of a single tax agent engagement: No objection letter from the tax agency, the tax agent number and the tax agency approval number.
- In the event that more than one tax agent is associated with the tax agency: go to the website and choose delink

Service Duration

20 business days from the date the request is completed.

In the event that more than one tax agent is associated with the tax agency:

Login to Tax Agency account from e-services and click on "De-Link" button without requiring FTA's approval

In the case of a single tax agent engagement:

No objection letter from the tax agency should be submitted, the tax agent number and the tax agency approval number to be sent via email: taxagents@tax.gov.ae.

EXPO 2020: Countdown of 15 Days

Expo 2020 Dubai will be the first World Expo ever hosted in the Middle East, Africa and South Asia region. Through the theme of Connecting Minds, Creating the Future, aim to host a World Expo that inspires people by showcasing the best examples of collaboration, innovation and cooperation from around the world..

There will be more than 200 participants including nations, multilateral organisations, businesses and educational institutions. To date, 191 nations from across the world have confirmed their participation at Expo 2020.

Expo 2020 will run for six months **from 1 October 2021 to 31 March 2022.**

The UAE will host the mega event with tight Covid-19 precautionary measures and a safe environment where about 90 per cent of the population have been vaccinated against Covid-19

VAT refund for tourists

Tourists and visitors can claim refund on VAT paid on purchases they made during their stay in the UAE. Recovery of payment will be done through a fully integrated electronic system which connects retailers registered in the ‘Tax Refund for Tourists Scheme’ with all ports of entry and exit from the UAE



Conditions for tourists to claim their VAT refunds

For a tourist to claim VAT refund on purchases he made in the UAE, he must fulfill certain conditions

- ❑ Goods must be purchased from a retailer who is participating in the 'Tax Refund for Tourists Scheme'.
- ❑ Goods are not excluded from the Refund Scheme of the Federal Tax Authority.
- ❑ He must have the explicit intention to leave the UAE in 90 days from the date of supply, along with the purchased supplies.
- ❑ He must export the purchased goods out of the UAE within three months from the date of supply.
- ❑ The process of purchase and export of goods must be carried out according to the requirements and procedures determined by Federal Tax Authority.

Where and how can tourists claim VAT refund for their shopping

Federal Tax Authority has allocated spaces where tourists can reclaim taxes through a fully electronic system managed in partnership with a global operator. Tourists will receive their refunds through a special device placed at the departure port - airport, seaport, or border port - by submitting the tax invoices for their purchases from the outlets registered in the Scheme, along with copies of their passport and credit card.

Once these documents are submitted, tourists can either recover the VAT in cash in UAE dirhams, or have it transferred to their credit card. Until October 2018, 4,000 retail outlets across the UAE were connected electronically to the system.

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