

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

The Cabinet,

- Having reviewed the Constitution;
- Federal Law No. (1) of 1972 on the Competencies of the Ministries and Powers of the Ministers and its amendments;
- Federal Decree-Law No. (13) of 2016 on the Establishment of the Federal Tax Authority;
- Federal Law No. (7) of 2017 on Tax Procedures;
- Federal Decree-Law No. (7) of 2017 on Excise Tax; and
- Pursuant to the presentation of the Minister of Finance, and the approval of the Cabinet,

Has decided;

Title One

Article (1)

Definitions

In the application of the provisions of this Decision, the following words and expressions shall have the meanings assigned against each, unless the context requires otherwise:

State: United Arab Emirates.

Minister: Minister of Finance.

Authority: Federal Tax Authority.

Tax: Excise Tax.

Decree-Law: Federal Decree-Law No. (7) of 2017 on Excise Tax.

Excise Goods: Goods that will be determined as subject to Tax by a Cabinet decision upon the suggestion of the Minister.

Import: The arrival of Goods from abroad into territory of the State.

Export: The departure of goods from the territory of the State, including Direct and Indirect Exports.

Direct Export: An Export of Excise Goods to a destination outside the State, where the supplier is responsible for arranging transport, or appointing a freight agent to do so on his behalf.

This is an unofficial translation

Indirect Export: An Export of Excise Goods to an overseas customer who arranges for the collection of the goods from the supplier in the State and Exports them himself, or has appointed a freight agent to do so on his behalf.

Overseas Customer: The Person who is not resident in the State and does not have an establishment in the State and is not a Registrant for Tax in the State.

Person: A natural or legal person.

Taxable Person: Any Person who is registered or obligated to register for Tax purposes under the provisions of the Decree-Law.

Designated Zone: Any fenced area intended to be a free zone that cannot be entered or exited except through a designated road, and any area designated by the Authority as being subject to the supervision of a Warehouse Keeper, in accordance with the provisions of this Decision.

Warehouse Keeper: Any Person approved and registered at the Authority to supervise a Designated Zone in accordance with the provisions of this Decision.

Tax Registration: A procedure whereby the Taxable Person or the Legal Representative registers at the Authority for Tax purposes.

Tax Registration Number (TRN): A unique number issued by the Authority for each Person registered for Tax purposes.

Registrant: The Taxable Person who has been issued with a TRN.

Importer: The Person whose name appears for customs clearance purposes as the importer of the Excise Goods on the date of Import.

Tax Return: Information and data specified for Tax purposes, submitted by the Taxable Person in accordance with the form prepared by the Authority.

Business: Any activity conducted regularly, on an ongoing basis and independently by any Person, in any location, which involves or may involve trading in Excise Goods.

Refundable Tax: Amounts that have been paid and that the Authority may return to the Person pursuant to the provisions of the Decree-Law.

Due Tax: Tax that is calculated and imposed pursuant to the provisions of the Decree-Law.

Payable Tax: The Due Tax that is due for payment to the Authority.

Tax Period: A specific period of time for which Payable Tax shall be calculated and paid.

Stockpiler: The Person who owns Excise Goods and cannot demonstrate that such goods had been previously subject to Tax pursuant to the conditions stated in this Decision.

Customs Legislation: Federal and Local legislation that regulates customs in the State.

This is an unofficial translation

Implementing States: The States of the Gulf Cooperation Council that apply a Tax law pursuant to an issued legislation

Duty Free Shop: A retail shop situated in a Designated Zone selling goods for sale to travelers departing the State.

Title Two

Liability to Tax

Article (2)

Persons liable to pay Tax

1. If the Person who performed the activity according to clause (1) of Article (4) of the Decree-Law has not met the Tax Payment requirements, then the Person “involved” in any of the activities specified under clause (2) of Article (2) of the Decree-Law is responsible for the Due Tax, and shall include, but is not limited to, all of the following:
 - a. A Person in the supply chain in which Tax has not been paid;
 - b. An investor or Person with a financial interest in the supply chain where Tax has not been paid;
 - c. The owner of the Excise Goods in any other case where this is not the producer, Importer, Warehouse Keeper or Stockpiler;
2. The Warehouse Keeper shall be liable to pay the Due Tax in case of the release of Excise Goods from a Designated Zone, where the Liable Person fails to pay the Due Tax, in any of the following cases:
 - a. Where the Warehouse Keeper has not kept the records specified by Article (24) of the Decree-Law.
 - b. Where the Warehouse Keeper has failed to meet any of the conditions imposed by the Authority under clause (6) of Article (9) of this Decision.
 - c. Where the Warehouse Keeper in any manner has benefited from the failure of the Person liable to pay the Due Tax.
3. A Stockpiler shall not be required to pay the Due Tax where the following conditions are met:
 - a. The Stockpiler owns Excise Goods available in free circulation for the purposes of conducting Business in the State, provided Tax on those goods has not been previously paid, relieved, remitted or deferred.
 - b. The stockpiled Excise Goods are not excess Excise Goods pursuant to the provisions of Article (11) of this Decision.

Title Three

Registration

Article (3)

Application for Tax Registration

1. For the purposes of Tax Registration, the Taxable Person shall meet the following rules and conditions:

- a. Submit an application for Tax Registration that includes such information and data as required by the Authority, and submit through such means as specified by the Authority.
 - b. To provide a financial security, as specified by the Authority.
 - c. To comply with any additional requirements in terms of keeping records or reports or resolutions that the Authority specifies and issues.
2. The Authority shall respond to the Person's application for Tax Registration within 20 business days of receipt of the application.
 3. The effective date of Tax Registration shall be the first day of the month in which the Person starts to conduct activities listed in clause (2) of Article (2) of the Decree-Law.
 4. The Authority may revise the value of the financial security submitted by the Taxable Person.
 5. Any Person required to apply for Tax Registration under Article (5) of the Decree-Law may apply to be registered as a Warehouse Keeper subject to the conditions set out in Article (9) of this Decision.

Article (4)

Exception from Tax Registration

1. The Authority may except the Person from Tax Registration where he proves to the Authority that he will not regularly Import or release Excise Goods from Designated Zones.
2. For the purposes of clause (1) of this Article "regularly" shall mean Importing or releasing Excise goods from a Designated Zone more often than once in a period not exceeding 6 months.
3. Notwithstanding clause (2) of this Article, where a person imports or releases Excise Goods from a Designated Zone four times in a 24-month period, they shall be considered to be regularly importing or releasing Excise Goods.
4. The Person excepted from Tax Registration pursuant to clause (1) of this Article must notify the Authority within 20 business days of any changes in his circumstances that may cause him to become taxable pursuant to the Decree-Law, and such notification shall contain the information and data that the Authority requests and be submitted by such means as determined by the Authority for these purposes.
5. Where a Person is no longer excepted from registration under clause (1) of this Article, the Authority shall register the same for Tax effective from the date they ceased to meet such condition.
6. Where Tax in respect of an Import is due in accordance with Article (6) of the Decree-Law, the Person shall make payment of the Due Tax at or before the date of Import of the Excise Goods by such means as specified by the Authority for these purposes.

Article (5)

Rejection of the Tax Registration Application

1. The Authority may reject a Tax Registration Application in the following instances:
 - a. If it finds that, the applicant has no intention of conducting any of the activities listed in Clause (2) of Article (2) of the Decree-Law.
 - b. If the applicant fails to provide the required information and data.

2. If the Authority rejects the Tax Registration Application, the Authority must inform the Person of its decision within 20 business days of receiving the application according to the procedures stated in Federal Law No. (7) of 2017 referred to.
3. If the Authority rejects the Tax Registration Application, the Person may:
 - a. Request a reconsideration according to the procedures stated in Article (27) of Federal Law No. (7) of 2017 referred to.
 - b. Submit another Tax Registration Application under Article (3) of this Decision.

Article (6)

Tax Deregistration

1. A Registrant shall notify the Authority of his Tax deregistration within (30) thirty days from when he is no longer responsible for the Tax under Article (4) of the Decree-Law.
2. The Authority shall deregister the Registrant effective from the day on which he was no longer the Person responsible for the Tax under Article (4) of the Decree-Law.
3. The Authority shall respond to the Registrant's application to deregister within (20) business days of receipt of the application.
4. The Registrant, in order to be deregistered for Tax, shall comply with the following controls and conditions:
 - a. Settle all Tax due under the Decree-Law.
 - b. Settle all Administrative Penalties due according to the Decree-Law and Federal Law No. (7) referred to.
 - c. Submit all Tax Returns due according to the Decree-Law and Federal Law No. (7) of 2017 referred to.

Article (7)

Rejection of Tax Deregistration Application

1. The Authority may refuse an application for deregistration in the following cases:
 - a. If it appears to the Authority that the Person applying for deregistration has the intention to conduct any of the activities referred to in Clause (2) of Article (2) of the Decree-Law within the subsequent (12) months.
 - b. The Person does not prove to the Authority that he is no longer a Person responsible for Due Tax according to Article (4) of the Decree-Law.
 - c. Less than (6) six months have passed since the Person was registered for Tax in accordance with the provisions of Article (3) of this Decision.
2. If the Authority rejects the Deregistration Application, then the Authority shall notify the Person with its decision within (20) business days, in accordance with the procedures of the Federal Law No. (7) of 2017 referred to.

Article (8)

Tax Registration on the introduction of Tax

1. Tax Registration shall start from the date specified by the Authority.

2. Where it appears to the Authority that a Taxable Person has not notified the Authority of his obligation to register for Tax in accordance with the provisions of Clause (1) of this Article, it may register him with effect from the date the Decree-Law comes into force.

Article (9)

Warehouse Keeper Registration

1. Any Person who carries on or intends to carry on operation of a Designated Zone shall apply for Registration as a Warehouse Keeper.
2. An application for Warehouse Keeper Registration shall contain such information and data, and shall be submitted through such means, as determined by the Authority.
3. The effective date of registration for a Person to act as a Warehouse Keeper shall be the date the application is approved by the Authority or from such date as may be requested by the Person and agreed by the Authority.
4. The Authority shall issue a Warehouse Keeper Registration certificate that shall include the Designated Zones that he shall be responsible for and where he shall be permitted to produce or stockpile the Excise Goods without being released for consumption.
5. For the purposes of registering a Warehouse Keeper, the Authority may impose the following conditions:
 - a. Specify the amount of Excise Goods that can be kept by a Warehouse Keeper in each Designated Zone he is responsible for at any one time.
 - b. Specify the type of Excise Goods that can be kept by a Warehouse Keeper in each Designated Zone he is responsible for.
 - c. Require the Warehouse Keeper to provide a financial security for each Designated Zone he is responsible for as determined by the Authority.
 - d. Impose additional reporting requirements in terms of keeping records and reports and submitting these to the Authority.
 - e. Specify the level of physical security required over each Designated Zone he is responsible for.
 - f. Specify the checks the Warehouse Keeper is required to make over the Excise Goods kept within each Designated Zone he is responsible for.
 - g. Specify the conditions of entry to and exit from each Designated Zone he is responsible for, and any entry or exit restrictions that the Warehouse Keeper should be required to impose.

Article (10)

Change of Circumstances of a Warehouse Keeper

1. A Warehouse Keeper shall notify the Authority of any changes in his circumstances that would affect his Registration as a Warehouse Keeper including circumstances in which the Warehouse Keeper no longer operates a Designated Zone via the means specified by the Authority, within 30 days of any of the following:

- a. The date on which a Warehouse Keeper ceases to be responsible for the supervision and management of the Designated Zone over which he is appointed.
- b. The date on which the change of circumstances took effect.
2. The Authority shall cancel a Warehouse Keeper Registration with effect from the relevant event.
3. The Authority shall respond to the Warehouse Keeper's notification within 20 business days of receipt of the notification.
4. If the Warehouse Keeper submits an application for deregistration, the Authority will terminate his responsibility for the Designated Zones and will not de register him until all his duties and responsibilities for the period during which he was registered are met, according to the rules and conditions that the Authority shall state.
5. Without prejudice to the provisions of Clause (4) of this Article, if there was a need to continue to operate the Designated Zone, the Warehouse Keeper requesting deregistration shall attach to his application for deregistration a copy of the new Warehouse Keeper registration form in accordance with the provisions of Article (9) of this Decision, in addition to any other documents determined by the Authority.

Title Four

Rules on Tax Payment

Article (11)

Stockpiling

1. The Person will be considered a Stockpiler where they own "excess Excise Goods" in free circulation and available in the course of conducting Business in the State where Tax on such goods has not been previously paid, returned, or deferred.
2. "Excess Excise Goods" shall mean such Excise Goods on which all of the following applies:
 - a. owned by the Stockpiler on the earliest of the date that a Tax obligation arose, or an increase in Tax obligation arose or the date the Decree-Law comes into force;
 - b. in excess of the Stockpiler's average monthly stock level for that type of Excise Good (whether purchased or produced) as determined over a (12) month period, starting one month before the date specified in paragraph (a) of this Clause;
 - c. acquired by the Stockpiler before the date specified in paragraph (a) of this Clause; and
 - d. The Stockpiler intends to sell these Goods in the course of conducting Business in the State.
3. As an exception to paragraph (b) of Clause (2) of this Article, where the average monthly sales of excise goods for a period of 12 months prior to the date specified in paragraph (a) of Clause (2) of this Article is calculated, and it appears that the Stockpiler has excise goods exceeding two months of such average, disregarding the monthly stock level of such Stockpiler, any goods exceeding two months level shall be considered excess and tax shall be due on it.
4. A Person, in the course of conducting business, shall keep audited records and showing the quantity of his stock of Excise Goods from the date the Decree-Law comes into force, for the purposes of ascertaining the stock of Excise Goods.

Article (12)

Release for Consumption

1. Excise Goods are released for consumption when any of the following is occurred:
 - a. Producing Excise Goods.
 - b. Releasing the Excise Goods from a Designated Zone and offering such for free circulation.
2. For the purposes of paragraph (a) of Clause (1) of this Article, Excise Goods shall be treated as produced at such time as the goods reach a stage where they are:
 - a. Ready to be held out for retail sale;
 - b. Fit for consumption or sale where the goods are not intended for retail sale;
 - c. Ready to be sold to a retailer, if the Excise Goods are of the type which are not fit for consumption until they are combined with another product at the point of retail sale.
3. For the purposes of paragraph (b) of Clause (1) of this Article Excise Goods shall be treated as leaving a Designated Zone and enter free circulation at the occurrence of any of the following:
 - a. The Excise Goods leave a Designated Zone, unless they are moved to another Designated Zone without being released for consumption or will be Exported in accordance with such conditions as specified by the Decree-Law and this Decision;
 - b. They are consumed or bought for consumption within a Designated Zone;
 - c. There is an irregularity in the course of a transfer of Excise Goods between Designated Zones which resulted in Excise Goods being released for consumption; or
 - d. They are found to be deficient or there is a shortage in their quantity from a Designated Zone or during transfer between Designated Zones or whilst held in a suspension arrangement in accordance with the Customs Laws.
4. “Irregularity” in paragraph (c) of Clause (3) of this Article, means a situation occurring during a transfer of Excise Goods from one Designated Zone to another where those goods are not transferred in accordance with the conditions specified under this Decision, or the Excise Goods are lost or destroyed.
5. As an exception to paragraph (d) of Clause (3) of this Article, release for consumption is not deemed to have occurred if:
 - a. The Warehouse Keeper responsible for the Excise Goods notifies the Authority within 30 days of discovering deficiency in the stock or shortage in quantity; and
 - b. It appears that the shortage of, or deficiency in, the Excise Goods is due to a legitimate cause accepted by the Authority.
6. Deficient goods may be destroyed before the lapse of 30 days following notification to the Authority, if the Authority has confirmed that the goods may be destroyed.
7. For the purposes of Clause (6) of this Article, the goods may be destroyed after 30 days have lapsed following notification to the Authority, unless the Authority has directed that the goods must be retained for inspection.
8. If, during the period specified in Clauses (6) and (7), the Authority gives the Warehouse Keeper notice to inspect the goods, they shall be held by the Warehouse Keeper until such time as the Authority has so inspected them and given permission for destruction to take place.

Article (13)

Inclusion of Tax in Advertised Prices

1. The advertised price of Excise Goods shall not be inclusive of Excise Tax where there is an agreement for the purchase of goods made and the goods have not been supplied prior to the date the Decree-Law comes into force, in the following cases:
 - a. If the purchaser intends to incorporate the Excise Goods into another Excise Good upon which Tax shall be due.
 - b. If the purchaser intends to Export the Excise Goods to a location outside the State.
 - c. If the purchaser is a foreign government, international organization, diplomatic body or mission which is entitled to a refund of Tax paid under Clause (1) of Article (21) of the Decree-Law.
 - d. If the Excise Goods are sold after the date the Decree-Law comes into force to a Person who will Export the Excise Goods to another Implementing State and will be liable to pay Tax in that state, and would be entitled to a refund under clause (2) of Article (21) of the Decree-Law.
 - e. If the purchaser intends to make an onward sale of the Excise Goods.
2. Tax shall be due in the cases listed in Clause (1) of this Article, in addition to the price advertised by the Supplier.

Title Five

Article (14)

Exemption for Exported Goods

1. Excise Goods Exported will be exempt from Tax where they have not been released for consumption in the State and have not been previously subject to Tax, in any of the following cases:
 - a. Where they are Exported to a location outside the State, provided they are transferred to the point of Export in suspension in accordance with the Customs Laws and in accordance with the rules and conditions stated under clause (11) of Article (15) of this Decision;
 - b. Where they are consumed in the course of an international journey departing from the State and they are transferred in suspension to the point of Export in accordance with the Customs Legislation.
 - c. Where they are purchased from a Duty Free Shop by a Person who will immediately Export the Excise Goods on condition that he provides evidence that such goods shall be leaving the Implementing States at the point of sale.
2. A direct Export shall be exempt from Tax if all of the following conditions are met:
 - a. The goods are physically Exported by the supplier to a place outside the State;
 - b. Official and commercial evidence of Export is retained by the Exporter;
 - c. The goods are not used, partially or otherwise, or altered in the time between supply and Export, except to the extent necessary to prepare the goods for Export.
3. An indirect Export shall be exempt from Tax if all of the following conditions are met:
 - a. the overseas customer physically Exports the goods supplied to a place outside the State;

- b. the overseas customer obtains official and commercial evidence of Export, and provides the supplier with a copy of this;
 - c. The goods are not used, partially or otherwise, or altered in the time between supply and Export, except to the extent necessary to prepare the goods for Export.
4. For the purposes of paragraph (2) and (3) of this Article, and subject to Clause (5) of this Article:
 - a. "Official evidence" means Export documents issued by the local Emirates Customs departments.
 - b. "commercial evidence" shall include any of the following:
 - 1) airway bill;
 - 2) bill of lading;
 - 3) consignment note;
 - 4) certificate of shipment;
 5. For the purposes of Clause (4) of this Article, the Authority may specify alternative forms of evidence according to the nature of the Export or the nature of the goods being exported.

Title Six

Designated Zones

Article (15)

Designated Zones

1. Excise Goods stored, preserved or processed in a Designated Zone or transferred between Designated Zones will be treated as not released for consumption pursuant to Article (12) of this Decision.
2. For the purposes of Article (13) of the Decree-Law, a "Designated Zone" is any of the following:
 - a. A free zone that meets the following conditions:
 - 1) Has security measures in place to restrict entry and exit of individuals and movement of goods to and from the Designated Zone.
 - 2) The Designated Zone is controlled and supervised by a Customs department.
 - 3) A Warehouse Keeper been appointed for the Designated Zone.
 - b. Any area specified by the Authority provided it meets the following conditions:
 - 1) It is a specific geographic area;
 - 2) It has security measures in place to restrict entry and exit of individuals and movement of goods to and from that area, according to controls specified by the Authority.
 - 3) A Warehouse Keeper has been appointed for it.
3. The Designated Zone shall be registered via an application submitted by the Warehouse Keeper to the Authority pursuant to the procedures determined by the Authority.
4. The Authority may request a financial guarantee for the registration of each Designated Zone as it specifies.
5. Every Person appointed as a Warehouse Keeper shall be required to control and supervise the Designated Zone and the transfer of goods without release for consumption to another Designated Zone in accordance with the following conditions:
 - a. Keep records of Excise Goods held in the Designated Zone at any time in accordance with Clause (8) of this Article.

- b. Keep evidence of Excise Goods being intended for transfer to another Designated Zone without release for consumption in accordance with Clause (8) of this Article.
 - c. Any such other records as the Authority may specify to be kept in respect of each Designated Zone supervised by the Warehouse Keeper.
6. The records referred to in paragraph (a) of Clause (5) of this Article may be kept by other persons, but will be the responsibility of the Warehouse Keeper.
7. Excise Goods that are Imported into, received, produced, stored, preserved, processed or otherwise held in a Designated Zone will not be subject to Tax until those goods are released from the Designated Zone or are deemed to have been released for consumption under Article (12) of this Decision.
8. The Warehouse Keeper shall be required to retain documentary evidence as specified by the Authority and shall provide such evidence to the Authority on request, relating to the keeping and treatment of goods in a Designated Zone. The evidence retained should be sufficient to identify the following:
 - a. The stock levels of the Designated Zone at any given time.
 - b. The value and quantity of Excise Goods entering the Designated Zone.
 - c. The value and quantity of Excise Goods leaving the Designated Zone and released for consumption.
 - d. The value and quantity of Excise Goods transferred to another Designated Zone, including details of that Designated Zone.
 - e. The value and quantity of Excise Goods transferred from the Designated Zone for Export.
 - f. The value and quantity of Excise Goods produced within the Designated Zone.
9. A transfer of goods from one Designated Zone to another in the State shall not be subject to Tax where:
 - a. The goods, or part thereof, are not released for consumption during the transfer;
 - b. The goods are not in any way used or altered during the transfer;
 - c. The transfer is undertaken in accordance with the rules and regulations as established by the Authority.
10. In accordance with Article (14) of the Decree-Law, a transfer of Goods between Designated Zones within the State must be undertaken in accordance with the following procedures:
 - a. The Warehouse Keeper responsible for the Designated Zone from which the Excise Goods originate must issue a document containing the following particulars:
 - 1) The type of Excise Goods to be transferred.
 - 2) The quantity and value of Excise Goods to be transferred.
 - 3) The value of Due Tax in the event the Excise Goods were released for consumption in the course of the transfer to another Designated Zone.
 - 4) The details of the Designated Zone to which the Excise Goods will be transferred and the Warehouse Keeper responsible for it.
 - b. The Warehouse Keeper responsible for the Designated Zone where the Excise Goods have been received must confirm receipt of the Excise Goods.
 - c. The Excise Goods must be accompanied with the document issued pursuant to paragraph (a) of this clause when transferring the Goods.
 - d. The document issued pursuant to paragraph (a) of this clause in relation to the transport must be provided to the Authority upon request.

11. For the purposes of Articles (12) and (14) of this Decree-Law, Excise Goods may be transported between Designated Zones within the State or from a Designated Zone for Export purposes if the following conditions are met:
 - a. The Warehouse Keeper of the Designated Zone from which the Excise Goods originate shall remain responsible for the goods until they are received by the Warehouse Keeper at the receiving Designated Zone or until they are exported.
 - b. The Person who is responsible for transferring the Excise Goods must be either a Taxable Person or a Warehouse Keeper for any of the two areas.
 - c. If the Taxable Person is transporting the Excise Goods, he must obtain prior consent from the Warehouse Keeper to transport these goods. The Warehouse Keeper may refuse to grant such consent.
 - d. The Warehouse Keeper must retain copies of all approvals granted to Taxable Persons to transport Excise Goods.

Title Seven

Calculation of Due Tax

Article (16)

Deductible Tax

1. A Taxable Person who is eligible to deduct Tax under Article (16) of the Decree-Law may deduct the Tax on his Tax Return for the period in which the right to the deduction arose.
2. For the purposes of Clause (1) of this Article, the value of the deductible Tax is equal to the value of the Tax previously paid on the relevant goods.
3. For the purposes of establishing the value of the deductible Tax under Clause (2) of this Article, at the request of the Authority the Taxable Person shall be required to provide evidence to support the value of the Tax previously paid on the relevant Excise Goods. The Authority shall specify the manner of submitting such evidence in order to confirm the Taxable Person has previously paid the Tax.
4. For the purposes of Clause (3) of this Article, where Tax was paid on the Excise Goods by another party in the supply chain, the Taxable Person shall retain the following evidence that Tax was paid:
 - a. A copy of the purchase invoice for the Excise Goods;
 - b. A declaration from the supplier stating that he paid the Tax and confirming the value thereof;
 - c. Information which demonstrates to the satisfaction of the Authority that the Excise Goods which are the subject of the claim are the same Excise Goods on which Tax was paid.
5. In circumstances where the Excise Goods have been subjected to Tax in the State, the Taxable Person shall be eligible for a refund of the Tax under paragraph (a) of Clause (1) of Article (16) of the Decree-Law where any of the following applies:
 - a. They are Exported to outside the Implementing States;
 - b. They are Exported to an Implementing State and the Tax was paid for the same goods in that State;
 - c. They are consumed in the course of an international journey departing from the State.
6. Any deduction of Tax will be subject to the conditions or evidence requirements specified by the Authority.

Title Eight

Tax Returns, Tax Periods and Payment of Tax

Article (17)

Length of Tax Period

1. The Tax Period shall be the calendar month.
2. Upon the Registration of a Taxable Person, the Authority may direct that the first Tax Period be longer than the Tax Period specified in Clause (1) of this Article.
3. As an exception to Clause (1) of this Article, the Authority may direct a Taxable Person to submit Tax Returns by reference to a longer period than aforesaid, or approve his request to do so.
4. A request under Clause (3) of this Article should be made in such a form and manner as directed by the Authority.

Article (18)

Tax Return

1. A Taxable Person shall submit a Tax Return through such means and procedures as specified by the Authority.
2. The Taxable Person shall submit the Tax Return under Clause (1) of this Article to the Authority no later than the (15th) fifteenth day of the month following the relevant Tax Period.

Article (19)

Tax Payment

1. Payable Tax shall be settled through such means as specified by the Authority.
2. A Taxable Person shall settle Payable Tax no later than the (15th) fifteenth day following the end of a calendar month.
3. The Customs departments shall:
 - a. Reconcile the quantity of Excise Goods imported into the State with the Declaration of importation received from the Importer before releasing the Excise Goods, and where the Person is not a Taxable Person, it shall check the payment of any Due Tax and fees.
 - b. Reconcile the quantity of Excise Goods exported from the State with the documents of Export.

Article (20)

Filing Regular Declarations

1. The Taxable Person must file declarations in the manner and via the means determined by the Authority as follows:

- a. Details of the Excise Goods to be imported.
 - b. Details of the Excise Goods produced in the State.
 - c. Details of the Excise Goods transported from a Designated Zone.
2. The Authority shall determine the deadlines for receiving the Returns stated under Clause (1) of this Article.

Title Nine

Refunds of Excess Tax

Article (21)

Excess Refundable Tax

1. A claim for a refund of excess Tax to which a Taxable Person is entitled shall contain such information and data as required by the Authority and be submitted through such means as specified by the Authority within 5 years from the date the Person has the right to apply for the refund.
2. Subject to its powers and obligations under the Decree-Law and this Decision, the Authority shall refund any excess Tax to the Taxable Person where it is satisfied that the Taxable Person is entitled to a refund.
3. Subject to Clause (6) of this Article where the Authority is required to refund an amount of excess Tax in accordance with Clause (2) of this Article, the refund must be made by the later of:
 - a. Two calendar months following the submission of the claim for a refund
 - b. Where the Authority undertakes an audit of the claim for a refund, within (21) twenty one days after conclusion of the audit.
4. The Authority is not obligated to refund any remaining excess Tax to the Taxable Person if less than two tax periods have passed since the end of the Tax Period in which the excess Tax arose.
5. The Authority may at its discretion refund the amount of excess Tax before the expiration of two tax periods in the following situations:
 - a. The Taxable Person's Registration is cancelled;
 - b. The Authority is satisfied that the Taxable Person will be undertaking taxable activities in the future and that for a period of at least one year following there is likely to be excess Refundable Tax;
6. Where a Taxable Person has failed to submit a Tax Return for any Tax Period as required under the Decree-Law, the Authority may withhold any refund until such a time as the outstanding Returns have been submitted.

Title Ten

Other Tax Refunds

Article (22)

Tax Refunds in Special Cases

1. Where Tax is incurred by a foreign government, international organization, diplomatic bodies and missions, a claim for a refund of the Tax may be made subject to the following conditions:

- a. Excise Goods are acquired exclusively for official use;
 - b. The country in which the relevant foreign government, international organization, diplomatic body or mission is established or has its official seat excludes the same type of entities that belong to the State from the burden of any excise Tax in that country;
 - c. The refund is consistent with the terms of any international treaty or other agreement concerning the liability to Tax of such a foreign government, international organization, diplomatic body or mission;
 - d. The Excise Goods are not acquired for the purposes of resale or any other commercial purposes.
2. Where Tax is incurred by a Person who is registered in an Implementing State who has paid Tax in the State and has then Exported the Excise Goods to another Implementing State and paid Tax in that Implementing State, a claim for a refund of the Tax may be made subject to the following conditions:
- a. That Person is not registered in the State.
 - b. Evidence is provided in support of the claim confirming the Person is a taxable Person in another Implementing State;
 - c. Evidence is provided confirming that Tax was paid on the Excise Goods in the State, including the value of the Tax paid;
 - d. Evidence is provided confirming that the Excise Goods were Exported to another Implementing State;
 - e. Evidence is provided confirming that Tax was paid on the Excise Goods in another Implementing State.
3. Subject to Article (21) of the Decree-Law a refund of Tax may be made according to the following:
- a. The claim should contain the information and data as required by the Authority and be submitted through means as specified by it;
 - b. The claim covers a minimum period of one calendar month;
 - c. The claim covers Tax paid on goods where the goods have a value not less than the value prescribed by a decision by the Minister.
 - d. The claim is supported by such documentary evidence as specified by the Authority.
4. The Authority shall make a decision regarding whether to approve or reject the refund claim made under this Article within 20 business days of an application being submitted.

Title Eleven

Keeping of Tax Record

Article (23)

Requirements for Keeping of Tax Record

1. The Taxable Person shall retain price lists of Excise Goods produced, imported or sold by him and shall provide such records to the Authority on request.
2. For the purposes of Clause (1) of this Article, the price lists retained shall be sufficient to identify the Excise Goods produced, imported or sold by him and shall include details of the value of the Goods.
3. The required Tax records must be kept in accordance with the timeframes, limitations and conditions specified in the Executive Regulation of the Federal Law No. (7) of 2017 referred to.

This is an unofficial translation

Article (24)

Repeal of Conflicting Provisions

All provisions violating or conflicting with the provisions of this Decision are hereby cancelled.

Article (25)

Publication and Coming into Force of this Decision

This Decision shall be implemented as of 1/10/2017 and published in the Official Gazette.

Mohammad bin Rashid Al Maktoum

Prime Minister

Issued:

On: 4 Muharram 1439 H.

Corresponding to: 24 September 2017