



This is not an official Translation:

Determination of Tax Residency

Cabinet Decision No. 85 of 2022 – Issued 2 Sept 2022 (Effective 1 Mar 2023)

The Cabinet has decided:

- 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 and its amendments,
- Federal Law No. 7 of 2017 on Tax Procedures and its amendments, and
- Pursuant to the presentation of the Minister of Finance and approval of the Cabinet,

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.
Person	:	Natural or juridical person.
Tax Resident	:	The Person who is resident of the State as specified in Articles 3 and 4 of this Decision.
Business	:	Any activity conducted regularly, on an ongoing and independent basis by any Person, such as industrial, commercial, agricultural, professional, vocational, service or excavation activities or anything related to the use of tangible or intangible properties.
Residence Permit	:	The permit or authorisation issued by the competent authorities in the State granting the natural person the right to reside or work within the territory of the State and does not include any temporary permit to enter the State for a specified period for the purposes of temporary



	travel, tourism, sport, medical treatment or any other purpose.
Permanent Place of Residence	: The place located in the State and available to the natural person at all times.
International Agreement	: Any bilateral or multilateral agreement, or any other agreement to which the State is a party, that has been ratified by the parties.
Tax Residency Certificate	: A certificate issued by the Authority proving that the Person is a Tax Resident in the State.
Tax	: Every federal Tax imposed under the Tax Law, that the Authority is mandated to administer, collect and enforce.
Tax Law	: Any federal law whereby the Tax is imposed.

Article 2 – Objectives of the Decision

This Decision is intended to determine the requirements and conditions for identifying a Person as a Tax Resident in the State.

Article 3 – Juridical Person

A juridical person shall be considered a Tax Resident in the State in either of the following cases:

1. It was incorporated, formed or recognised in accordance with the legislation in force in the State, and that does not include the branch that is registered by a foreign juridical person in the State.
2. It is considered a Tax Resident in accordance with the Tax Law in force in the State.

Article 4 – Natural Person

A natural person shall be considered a Tax Resident in the State where any of the following conditions are met:

1. If his usual or primary place of residence and the centre of his financial and personal interests are in the State, or he meets the conditions and criteria determined by a decision from the Minister.
2. If he has been physically present in the State for a period of (183) one hundred and eighty-three days or more, within the relevant (12) twelve consecutive months.
3. If he has been physically present in the State for a period of (90) ninety days or more, within the relevant (12) twelve consecutive months, and he is a UAE national, holds a valid Residence Permit in the State or holds the nationality of any member state of the Gulf Cooperation Council, and meets any of the



following:

- a. He has a Permanent Place of Residence in the State.
- b. He carries on an employment or Business in the State.

Article 5 – Tax Residency Certificate

1. The Person who is considered a Tax Resident in the State in accordance with the provisions of Articles 3 or 4 of this Decision, may make an application to the Authority for the purpose of issuing a Tax Residency Certificate to that Person.
2. The application referred to in Clause 1 of this Article shall be submitted in accordance with the form and manner specified by the Authority.
3. If the Authority is satisfied that the applicant meets the requirements set out in Articles 3 or 4 of this Decision and that the application was submitted in accordance with Clause 2 of this Article, the Authority may approve the application and issue the Tax Residency Certificate.

Article 6 – International Agreements

1. If any International Agreement sets out certain conditions for determining the tax residency, the provisions of that International Agreement on determining the tax residency shall apply for the purposes of this International Agreement.
2. The Minister shall issue a decision specifying the form and manner of issuing certificates for determining the tax residency for the purposes of the International Agreement.

Article 7 – Competencies of and Cooperation with the Authority

1. The Authority may request all information, data, and documents relating to any Person from all government entities of the State, for the purposes of implementing the provisions of this Decision.
2. All government entities of the State must fully cooperate with the Authority for the purposes of implementing the provisions of this Decision, including providing the Authority with all information, data, and documents relating to any Person as requested by the Authority.

Article 8 – Executive Decisions

1. The Minister shall issue the decisions required to determine the conditions, controls and criteria for implementing any of the provisions of this Decision.
2. The Authority has jurisdiction to issue clarifications and directives for implementing any of the provisions of this Decision.



Article 9 – Publication and Enforcement

This Decision shall be published in the Official Gazette and shall come into effect as of 01 March 2023.