

UAE TAX ALERT



Amendments to the

Executive Regulation of Federal Decree-Law No. 28 of 2022 on Tax Procedures

#taxatmmjs



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Cabinet Decision No. 17 of 2026, issued on 23 March 2026, introduces amendments to the Executive Regulation of Federal Decree-Law No. 28 of 2022 on Tax Procedures, with effect from 1 April 2026.

Please find below, the summary of amendments made along with our comments

Article No.	Summary of Amendment	MMJS Remarks
<p>Article 3 (2) (e) – Period of Record Keeping (New clause added as per Cabinet Decision No. 17 of 2026)</p>	<p>In addition to the periods specified in Clause 1 of Article 3, the Person shall retain the books and records for an additional period of (2) two years in case the Taxable Person has a refund application in relation to which the Authority has not issued a decision, provided that such application was submitted within (5) five years from end of the Tax Period referred to in Clause 2 of Article 38 of the Decree-Law, or during the periods referred to in Clauses 3 and 4 of Article 38 of the Decree-Law.</p>	<p>A new clause has been introduced requiring a taxable person to retain books and records for an additional two years where a tax refund application is pending and no decision has yet been issued by the Tax Authority, provided the application was submitted within the prescribed legal time limits. This extension applies in addition to the existing record i.e., five years following the relevant Tax Period for a Taxable Person; five years from the end of the relevant calendar year for other persons; and seven years from the end of the calendar year in which the relevant document was created for real estate records. retention periods.</p>
<p>1) Article 10 (2) – Submission of Voluntary Disclosure (Article amended as per Cabinet Decision No. 17 of 2026)</p> <p>2) Article 10(3) of Cabinet Decision No. 74 of 2023 omitted by Cabinet Decision No. 17 of 2026)</p>	<p>If a Taxpayer becomes aware that a Tax Refund application submitted to the Authority is incorrect, resulting in a calculation of a Refund to which it is entitled according to the Tax Law being more than the correct amount, the Taxpayer shall submit a Voluntary Disclosure to the Authority within (20) twenty Business Days from the date when the Taxpayer became aware of the error, unless the error was a result of an incorrect Tax Return or Tax Assessment, in which case the following shall apply:</p>	<p>While there is no substantive change to the provision, Clause 2 has now been expressly expanded to clarify the corrective action required where a refund error arises from an incorrect Tax Return or Tax Assessment. The position is summarised below.</p>

Article No.	Amendment	MMJS Comments												
	<p>a. If the amount is more than (10,000) ten thousand Dirhams, the Taxpayer shall submit a Voluntary Disclosure within (20) twenty Business Days from the date when the Taxpayer became aware of the error.</p> <p>b. If the amount is equal to (10,000) ten thousand Dirhams or less, the Taxpayer shall do the following:</p> <ol style="list-style-type: none"> 1) If the Taxable Person is obligated to submit a Tax Return to the Authority, correct the error in the Tax Return that has not become due for submission for a previous Tax Period or in the Tax Return for the Tax Period in which the error has been discovered, whichever is earlier. 2) Submit a Voluntary Disclosure within (20) twenty Business Days from the date of becoming aware of the error, in the event that there is no Tax Return through which the error can be corrected according to subparagraph 1 of this Clause. <p>Article 10(3) of Cabinet Decision No. 74 of 2023 has now been omitted. Earlier the article was read as follows: If a Taxpayer becomes aware of an error or omission in the Tax Return submitted to the Authority without there being a difference in Due Tax, the Taxpayer shall correct the error or submit a Voluntary Disclosure to the Authority as may be specified by the Authority.</p>	<table border="1" data-bbox="1339 302 2069 1086"> <thead> <tr> <th data-bbox="1339 302 1592 422">Error Amount</th> <th data-bbox="1592 302 1832 422">Required Action</th> <th data-bbox="1832 302 2069 422">Timeline</th> </tr> </thead> <tbody> <tr> <td data-bbox="1339 422 1592 632">> AED 10,000</td> <td data-bbox="1592 422 1832 632">Submit a Voluntary Disclosure</td> <td data-bbox="1832 422 2069 632">Within 20 Business Days from becoming aware of error</td> </tr> <tr> <td data-bbox="1339 632 1592 834">< = AED 10,000</td> <td data-bbox="1592 632 1832 834">Correct the error in the next relevant Tax Return</td> <td data-bbox="1832 632 2069 834">As per the relevant Tax Return filing</td> </tr> <tr> <td data-bbox="1339 834 1592 1086"><= AED 10,000</td> <td data-bbox="1592 834 1832 1086">If no Tax Return is available to correct the error, submit a Voluntary</td> <td data-bbox="1832 834 2069 1086">Within 20 business days from becoming aware of the error</td> </tr> </tbody> </table> <p>Further, despite the removal of Article 10(3) from the Executive Regulations, it is important to note that the Tax Procedures Law still contains a provision requiring the submission of a Voluntary Disclosure for errors or omissions that do not impact the Due Tax. In addition, the FTA had previously issued Decision No. 8 of 2024, which required a Voluntary Disclosure to be submitted in certain cases even where there is no difference in the Due Tax, such as incorrect reporting of zero-rated supplies, exempt supplies, or Emirate-wise reporting. Based on practical experience, we have observed that the portal continues to allow the submission of a Voluntary Disclosure after 1 April 2026 in cases where there is no change in the Due Tax. It remains to be seen whether the Authority will issue any further clarification on this matter.</p>	Error Amount	Required Action	Timeline	> AED 10,000	Submit a Voluntary Disclosure	Within 20 Business Days from becoming aware of error	< = AED 10,000	Correct the error in the next relevant Tax Return	As per the relevant Tax Return filing	<= AED 10,000	If no Tax Return is available to correct the error, submit a Voluntary	Within 20 business days from becoming aware of the error
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<p>Article 18 (10) - Seizure and Retain of Documents and Assets (New clause added as per Cabinet Decision No. 17 of 2026)</p>	<p>The Authority may extend the period specified to seize the documents or assets in accordance with the provisions of Paragraph (d) of Clause 4 of this Article, provided that the concerned person is notified, where possible.</p>	<p>The amendment expressly clarifies that the Authority may extend the period for which documents or assets remain under seizure, provided the concerned person is notified where possible. Accordingly, the period stated in the seizure record issued by the Authority, which sets out the details of the documents or assets seized and the period for which they are to remain under seizure, should not be regarded as final, and businesses should be prepared for possible extensions.</p>
<p>Article 26 – Credit Balance Refund Procedures (Article amended as per Cabinet Decision No. 17 of 2026)</p>	<ol style="list-style-type: none"> 1. A Taxpayer who is entitled to refund of credit balance under the Tax Law or the Decree-Law may apply for the refund in the form and manner approved by the Authority. 4. The Authority may defer the credit balance refund until the receipt of Tax Returns that have not been submitted at the time its refund application is received, until such time when all due Tax Returns are submitted to the Authority. Any excess amount shall be refundable once such Tax Returns are submitted, in accordance with the Decree-Law and the Tax Law. 	<p>The Article has been amended to clarify that refund procedures apply to any credit balance in the taxpayer’s account and are not limited only to excess tax paid. Accordingly, the revised wording confirms that refunds may also cover other confirmed credits, such as reduced or overturned penalties, subject to the applicable procedures.</p>

MMJS Comments

In light of the amendments introduced by Cabinet Decision No. 17 of 2026 to the Executive Regulation of Federal Decree-Law No. 28 of 2022 on Tax Procedures, effective from 1 April 2026, businesses should carefully evaluate the implications of the revised procedural requirements and compliance obligations. A detailed review of existing tax governance frameworks, internal controls, record-keeping practices, and interaction with the Federal Tax Authority will be critical to ensure continued compliance, minimise procedural risks, and safeguard the organisation’s tax position.

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