

MMJS TAX ALERT: REMINDER

Grace Period for Updating Tax Records

The Federal Tax Authority (FTA) published Tax Procedures Public Clarification TEXP007, introducing a **Grace Period from 1 January 2024 to 31 March 2025**. During this time, registrants can update their tax records without incurring penalties.

Key Action Required:

Tax Records and Notification Period: As per Article 6(4) of Cabinet Decision No. 74 of 2023, registrants must update their tax records on the FTA portal within 20 business days of any changes. These include (but are not limited to):

- Business name
- Address
- Contact Details
- Trade License Activities
- Legal Entity Type

Please review and ensure your tax records are updated by 31 March 2025 to avoid penalties.

Penalties for Non-Compliance:

- AED 5,000 for the first violation; and AED 10,000 for subsequent violations (Cabinet Decision No. 40 of 2017)
- AED 1,000 per violation; and AED 5,000 for repeated violations within 24 months (Cabinet Decision No. 75 of 2023)

Penalty Reversal:

- Any penalties issued between 1 January 2024 and the implementation of this grace period will be automatically reversed, and refunds (if applicable) will be credited to your tax account. No action is required from the registrant to secure the reversal, as this will be done automatically.

Please take this opportunity to review your tax records and make the necessary updates.

For any assistance or further clarification on this update, feel free to reach out to us.

Get in Touch with Our Team



Surandar Jesrani
Group CEO and Managing Partner



Ankur Jain
Associate Partner, Indirect Tax



Rishabh Tandon
Senior Director, Indirect Tax



Tarun Grover
Senior Manager



Vanita Nagpal
Senior Manager



Divya Mary James
Manager



Mir Mohammed Ali Omar
Manager

— DUBAI —

(Corporate Office)
Level 15, Lake Central Tower – At The Bay
Dubai, UAE

+971 4 276 2233
vat@mmjs.co