

# Overview of Options to Setup Company in UAE



# About M&M



## About us

Member of MGI worldwide giving us **access to 251 partners in 102 countries**. We are an **established local player with global connect with** cross border services and services in local jurisdiction, delivered with high quality



## Our Affiliate

is into **technological sphere and has global presence** in data analytic , blockchain solution, process automation, IT system implementation, software development including technology, support Data Analytics



## Our expertise

In UAE covers clients in **diverse sectors** like Insurance, investment funds, Pharmaceutical, technology steel, advertising media having turnover over USD 10 billion



## Growth

With the **growing expertise and the need to provide individualized solutions** to the client, we have streamlined our core functions into five verticals of services covering Audits, Tax, Accounting, **Business set up** and advisory services related to AML and compliance services



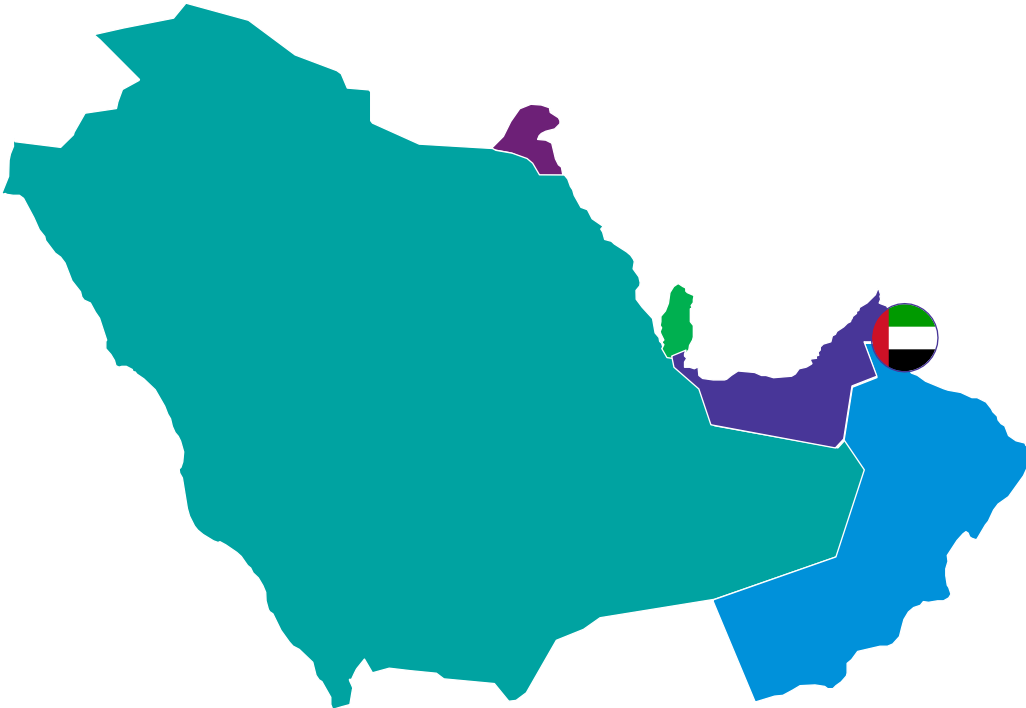
## Presence

We have increased our presence in **Abu Dhabi & converted one of our office in Ibn Battuta gate Dubai for training** of our staff and clients. Have 25 staff with total of 125 years of experience



## Innovations

With the help of our affiliate, **we have developed our in-house audit tool** that allows us to seamlessly collect documents in a secured portal for clients and working on many more such value add on products.



## ABOUT UAE

UAE comprises of **7 emirates** and **more than 50 Free Trade Zones**

UAE is committed to supporting the growth of Dubai's digital economy and cements the emirate's position as a global destination for digital companies.

## MULTICULTURAL ENVIRONMENT

UAE is a Hub of cultural diversity

It is a second home for over 200 nationalities

Dubai ranks as one of the most multicultural cities in the world

cultural diversity drives its economic, social and intellectual development

## TIME ZONE COMPATIBILITY

UAE is well positioned to do business with many countries around the world. It is located at a convenient midpoint between Europe and Asia expanding business opportunities

Weekend changed to Saturday and Sunday, to align with global practices

## OPERATIONAL ADVANTAGES

Most of activities are allowed to have

**100% foreign ownership in Mainland**

UAE Economy supports more than 75 % of medium size companies

## COURT OF LAW

DIFC Courts have been given more powers and disputed parties may agree to approach DIFC Courts rather than Dubai Courts

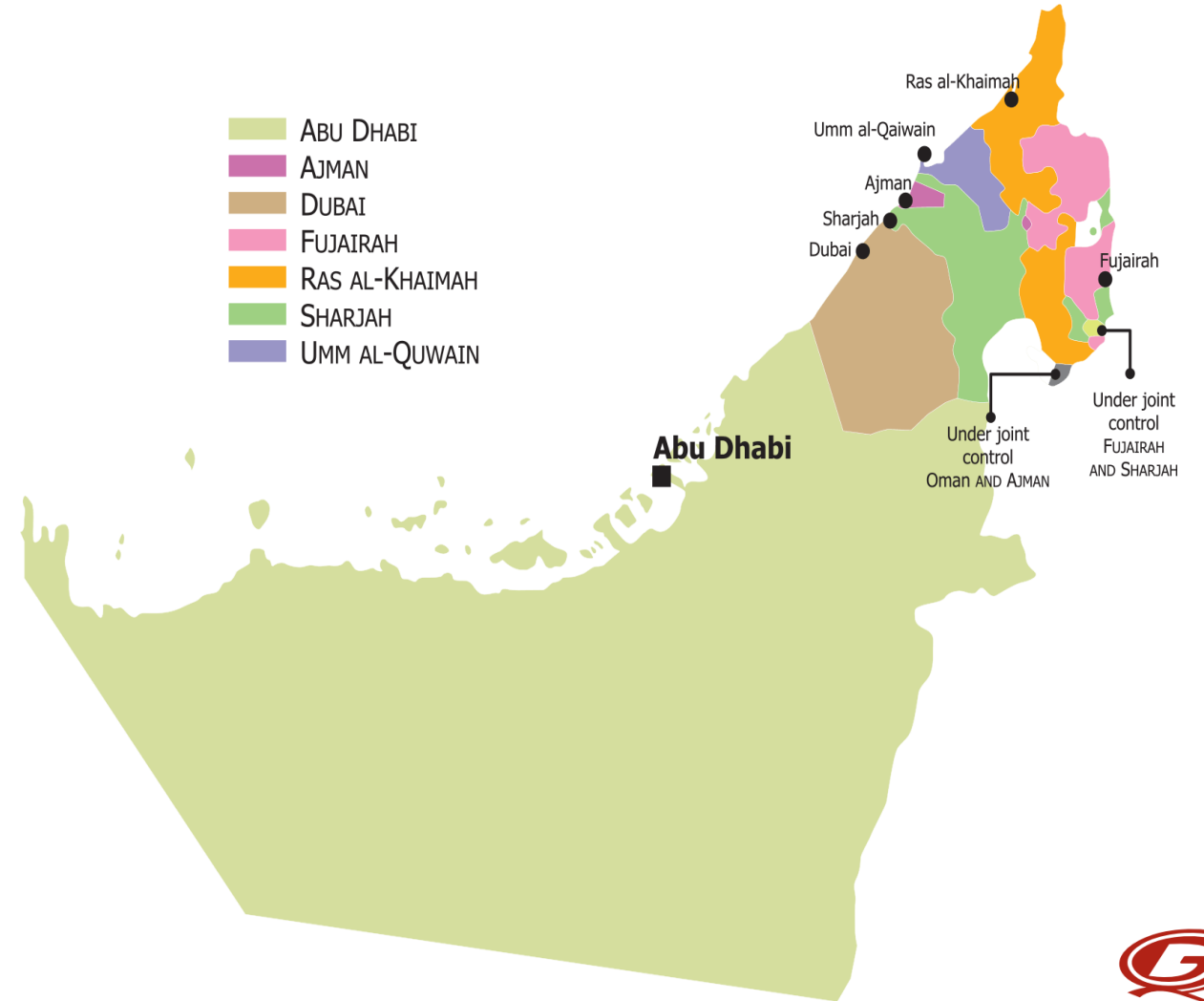
## CHANGES IN VISA

Ten-year golden visa being offered to expatriates and other visa types introduced



# Free Trade Zones ('FTZ') in UAE

S. No.	Emirate	No. of FTZ	Popular FTZs
1	Dubai	40	DMCC, DAFZA, JAFZA, IFZA, DIFC, DWTCA MEYDAN , DUQE
2	Abu Dhabi	7	ADGM, KIZAD Masdar city
3	Sharjah	6	SAIF
4	Ras-Al-Khaimah	5	RAKEZ
5	Ajman	2	2 Ajman free zones
6	Fujairah	2	Fujairah Creative City
7	Umm Al-Quwain	1	UAQ Free Zone



# Some main free zones in 4 Emirates

1

## Dubai International Financial Centre ('DIFC')

- Found in 2004
- Financial hub - Middle East, Africa & South Asia

2

## Abu Dhabi Global Market ('ADGM')

- Found in 2013
- Key pillar of Abu Dhabi's Economic Vision

3

## DUQE Free Zone

- Found in 2022
- Competitive and well-regulated ecosystem

4

## Dubai Airport Free zone Authority ('DAFZA')

- Found in 1996
- Direct access to Dubai International Airport

5

## Ras-Al-Khaimah Economic Zone ('RAKEZ')

- Found in 2017
- Supports startups, entrepreneurs, SMEs etc.

6

## Jebel Ali Free zone ('JAFZA')

- Found in 1985
- Focused on logistics, warehousing, etc.

7

## Meydan Free Zone

- Found in 2009
- Supports startups, entrepreneurs, SMEs etc

8

## Dubai Multi Commodities Centre ('DMCC')

- Found in 2002
- Known for innovative infrastructure, services etc.

9

## International Free Zone Authority ('IFZA')

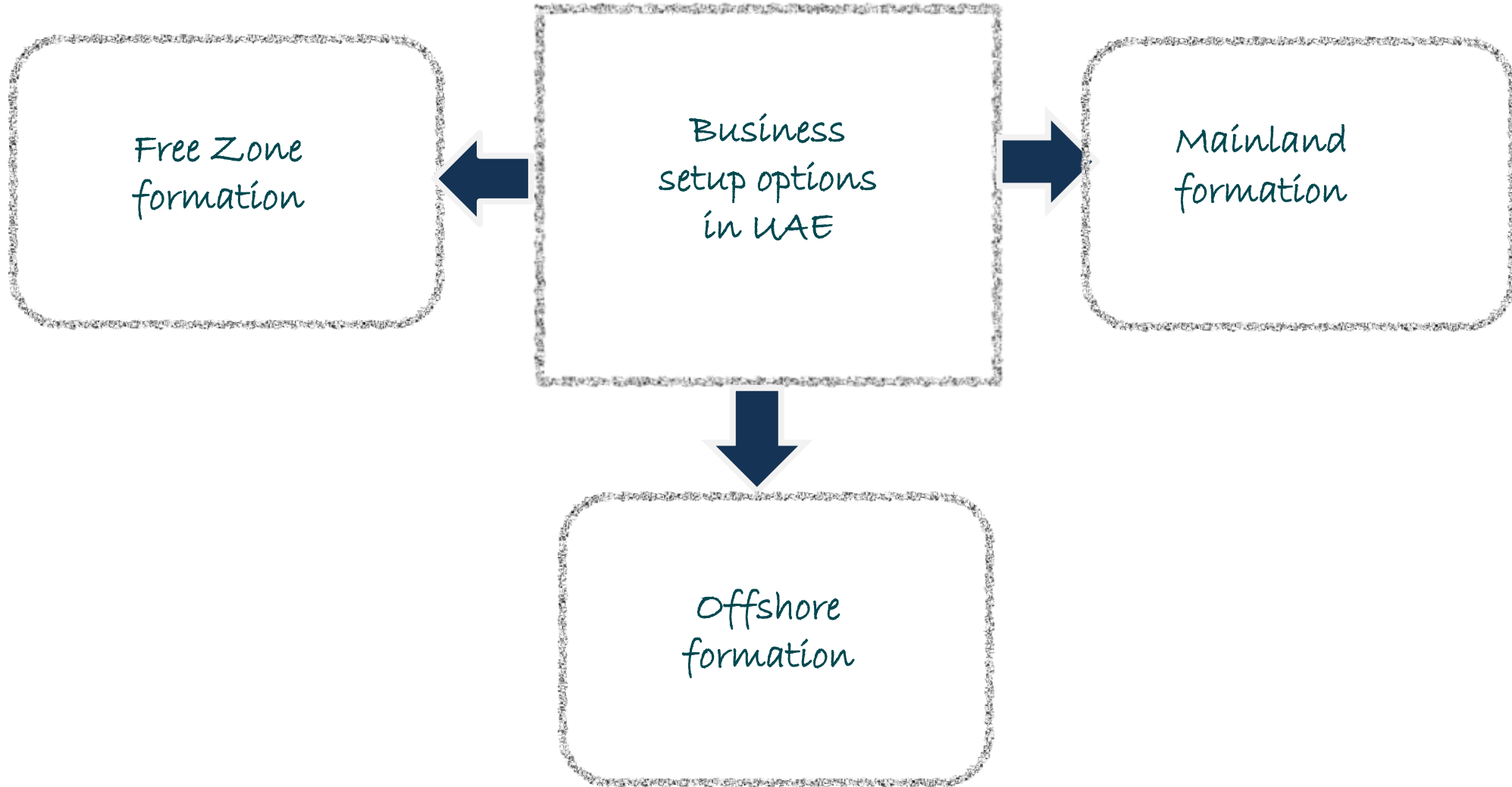
- Found in 2018 in Fujairah, moved to Dubai in 2020
- Under patronage of Dubai Silicon Oasis Authority

10

## Sharjah Airport International Freezone ('SAIF')

- Found in 1995, World's first ISO 9001 certified FTZ
- First FTZ within an International Airport in the UAE

# Business setup Options



# Company formation

## Mainland

Mainland company license is issued by Dubai Economic department (DED).

It gives flexibility to do business all over UAE and Internationally without any restrictions .

With 100 % ownership now allowed for more than 1000 commercial activities

Commercial activities can now have instant licenses with option for having Virtual office for the first year which has made formation much easier for certain categories.

## Free zone

There are more than 50 Free zones in UAE  
Out of which major Free zones are in Dubai

Businesses having more international client and doing business outside UAE can select the freezone according to the benefit each freezone offers .

Free zone offer 100 % ownership of business owned by expat

Entrepreneurs who are looking for tax optimization and tax benefits ( subject to certain conditions met) offered by the freezone can opt for forming their company in the free zone

## Offshore

The 2 popular Jurisdictions to form offshore companies are in JAFZA offshore or RAKICC

Providing a gateway for international market expansion;  
Access to a stable and business-friendly system.  
Access to a more flexible regulatory regime

Offers 100 % ownership and easy formation.  
Cost effective does not require physical office only an offshore agent required to register

Offering tax neutrality on international earnings in respect of (depending on jurisdiction) personal or company income, capital gains and inheritance taxes;

Depending on the company Structure whether it is individual or Corporate the documents required will be

## Individual

- Passport Copy
- Emirates ID copy for UAE residents
- Passport size photo
- License Application Form (including Ultimate Beneficial Ownership information)

## Corporate

- Passport Copy (of every Shareholder and General Manager)
- Passport Photo (of every Shareholder and General Manager)
- Emirates ID copy for Shareholders who are UAE residents
- Visa Copy for Shareholders who are UAE residents
- Board Resolution
- Memorandum & Articles of Association of the corporate shareholder (or equivalent constitutional documents)
- Valid Trade License or equivalent
- Certificate of Incorporation / Formation of the corporate shareholder or equivalent



- ❑ Please note that the Company documents should be **NOTARIZED & ATTESTED**
- ❑ If the company is incorporated outside of the UAE, the board resolution should be notarized in the country of origin then attested by the UAE Embassy
- ❑ For mainland formation all the company documents need to be translated in Arabic and attested BY MOFA in UAE
- ❑ POA if required



Opening Bank  
account



Every bank has their independent requirement for opening bank account. Some basic requirements are

- Having a proper office space
- Proving residency in UAE
- Activity of the company

Taking Third  
party Approvals



Third party approvals are required depending on the selected activity

You have to satisfy the requirement of the Concerned Authority who gives Approval e.g.

Food trading , scrap trading etc. requires approval of **Dubai Municipality**

Certain Media related activities require approval from **National Media Council**

Sports related activity require approval from **Dubai sports Council**

## VALUE ADDED TAX ('VAT')

- Introduced in **2018**
- **Common framework** for Gulf countries
- **VAT not applicable** in **designated free zones** in UAE

## ECONOMIC SUBSTANCE REGULATIONS ('ESR')

- Introduced in **2019**
- Applicable for **nine relevant activities** (*headquarter, service centre etc.*)
- Comply with **prescribed ESR tests**

## ULTIMATE BENEFICIAL OWNERSHIP ('UBO')

- Declaration by **individual holding more than 25% shares** at parent entity level
- In absence of above, **chairman of BOD of holding company is de-facto UBO**

## ANTI-MONEY LAUNDERING LAWS ('AML')

- To track **suspicious transactions**
- **Certain professions** mandated to be **registered with specific authorities**
- Professions like **law firms, auditors**

## CORPORATE TAX ('CT')

- Introduced in **2022**
- **Effective** from **1 June 2023**
- CT of **9% on the net profit** more than **AED 375000**
- **Free zones to be incentivised**
- **No WHT, dividend income is exempt**

## OTHER LAWS

- **Federal labour law** introduced in **February 2022**
- **Excise duty 100%** on tobacco & **50%** on carbonated drinks applicable
- **Commercial company law 2022** introduced to consolidate all the amendments from **2015**
- **Law No (4) Of 2022** Regulating virtual assets in the Emirates

Any Questions ?????



**THANK YOU**

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