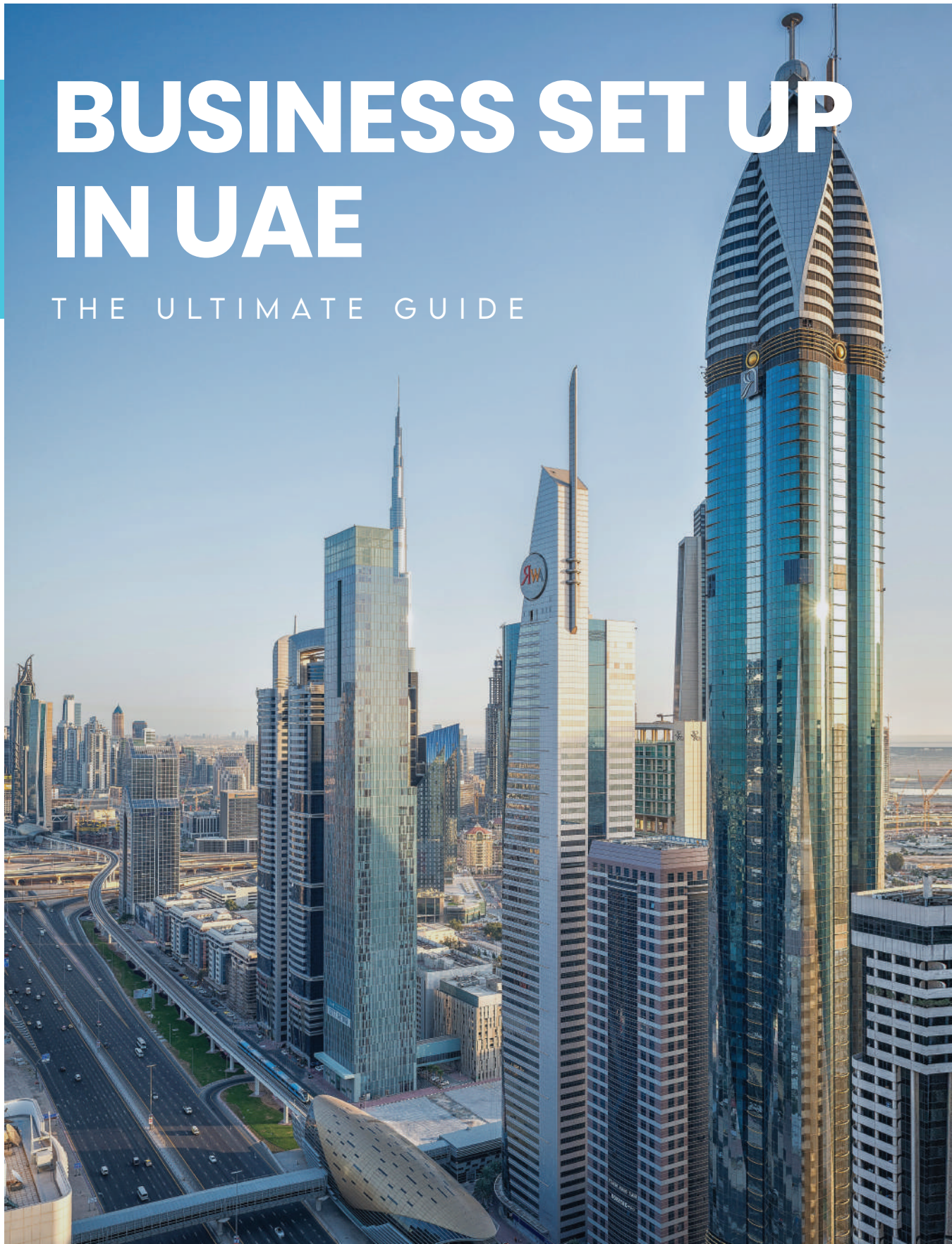


BUSINESS SET UP IN UAE

THE ULTIMATE GUIDE



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Topic 01:

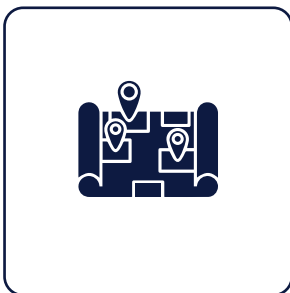
WHY SET UP A BUSINESS IN THE UAE?

UAE's tax-friendly environment, streamlined online setup, and ongoing compliance support make it an attractive location for investors. The UAE offers additional benefits like 100% foreign ownership of LLCs and free zone advantages.

With its strategic location, world-class infrastructure, thriving economy, and skilled workforce, UAE is a prime destination for business ventures of all shapes and sizes.

TYPES OF BUSINESS SETUP IN THE UAE

Free zone



Mainland



Offshore



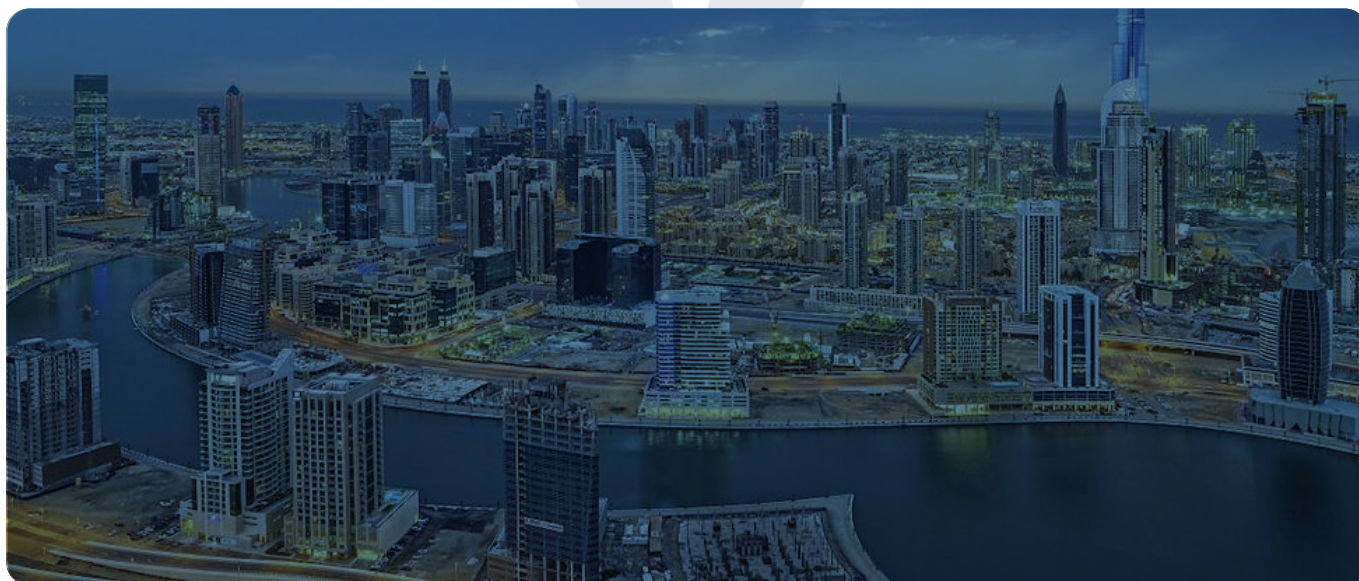


Topic 02:

CHOOSE THE RIGHT JURISDICTION FOR YOUR UAE BUSINESS SETUP

Topic	Mainland Company	Free Zone Company	Offshore Company
Ownership	Requires a local sponsor (UAE national) or service agent owning 51% shares. For certain professional and specific business activities, 100% foreign ownership is allowed.	100% ownership for expats; no local partner needed.	100% expat ownership, must be outside the UAE.
Office Space	A minimum of 200 sq. ft of physical office space is mandatory.	Physical or virtual office are mandatory.	They could only have a physical office outside UAE.
Business Scope	Mainland companies in UAE can operate freely throughout the country, including free zones	Free zone companies are restricted to their zone for business activities to avail free zones taxation benefit.	Trade globally, restricted locally.
Audit	An audit must be conducted at the end of the financial year.	Free zone companies in the UAE must get audited yearly.	The audit is not a mandatory requirement and it is discretionary.
Visa	A residence visa is given depending on the size of the office/ work premises.	A residence visa is given depending on the size of the office/ work premises.	Since there is no need for office space, an offshore company setup is not issued with a residency visa.

Topic	Mainland Company	Free Zone Company	Offshore Company
Capital requirement	Minimum Capital Requirements Based on Business Legal Form.	Minimum capital requirement depending on the emirate the free zone it belongs to.	An offshore company in the UAE has no minimum capital requirement.
Regulatory Authority	They need permission from the DED, Ministry of Labor (MIL), UAE Municipality, Ministry of Interior (MOI), etc.	Free zones set their own approval process, skipping red tape from outside authorities.	Ras Al Khaimah (RAK) and the Jebel Ali Free Zone (JAFZA) offer offshore formation. The free zone authorities of that jurisdiction look after their approval
Cost of Company Set up	High	Medium	Low
Corporation Tax (CT)	0% on taxable income up to AED 375,000; 9% on taxable income exceeding AED 375,000.	Free zone companies, with no mainland UAE business and in regulatory compliance, enjoy 0% tax on qualifying income.	Tax Exempted
Value Added Tax (VAT)	UAE mainland companies must register for VAT if selling over AED 375,000 annually. The VAT rate is 5%.	In 2024, UAE free zone companies benefit from a 0% VAT rate on goods traded within free zones and on imports into these zones. However, they are subject to a 5% VAT rate on sales made from free zones to the mainland UAE. Companies are required to register for VAT if their annual taxable supplies exceed AED 375,000.	VAT Exempted





Topic 03:

DOCUMENTS NEEDED FOR COMPANY FORMATION IN UAE



Shareholder Details

- Name
- Father's name
- Mother's name
- Present Address
- Permanent Address
- Address Proof (utility bill)
- Phone Number
- Email Address
- TIN
- Passport size photo
- NID copy
- Passport copy
- Customer countries (up to 5)
- Supplier countries (up to 5)
- As source of income (Notarized Trade License copy)



Business Plan & Activity



Business Website Address



Topic 04:

STEPS FOR UAE COMPANY REGISTRATION





Topic 05:

FREQUENTLY ASKED QUESTIONS

GENERAL ENQUIRY

What kind of company structure should I choose?

Choosing a business structure in UAE depends on your specific needs. You can choose from sole proprietorship, partnerships, limited liability companies, and even specialized options. Additionally, you can decide to operate in the mainland, in a free zone or even offshore.

What is the approximate cost of starting a business in UAE?

The cost of business setup in the UAE depends on several factors, including the type of business you choose, the commercial activities your company will undertake, business operations, license type, legal advisory needs, and location. The approximate cost can range from AED 25,000 to AED 45,000.

What is the timeline for processing a business setup in UAE?

7 to 14 working days. Depends on your setup & Business Structure.

How do I get started with DE TEMPETE for my Business Set up?

To get started, simply reach out to DE TEMPETE via our website or contact information. We will guide you through the initial steps, provide necessary information, and customize our services to your business setup in UAE.

What types of licenses can DE TEMPETE assist in obtaining for business set up in UAE?

We facilitate commercial, professional, and industrial licenses, tailored to your specific activities and business needs.

Can I sponsor my family if I set up a business in the UAE?

Yes, business owners can sponsor family members for residency visas, subject to meeting salary and accommodation requirements.

Are taxes applicable to businesses in UAE?

UAE launched a new corporate tax system. In Mainland, Companies making taxable income less than AED 375,000 per year get a tax break with a 0% rate. Bigger businesses pay a standard 9% tax on taxable income exceeding that amount. The system applies to financial years starting after June 1st, 2023. There's an additional exemption for companies in UAE Free Zones, but only if they follow all the rules and avoid mainland UAE business.

What is Value Added Tax (VAT), and how does it work in the UAE?

VAT is a consumption tax levied on the value added to goods and services at each stage of production and distribution. In the UAE, VAT was introduced in 2018 at a standard rate of 5%. It applies to most goods and services consumed domestically.

Is VAT applicable to all businesses?

VAT is applicable to businesses with annual turnover exceeding AED 375,000. Voluntary registration is available for those with turnover or expenses above AED 187,500. The rate is 5%.

What is the minimum investment required to set-up a business or company in UAE?

The amount you need to invest in a UAE business depends on your business itself, who you partner with, and where you set up shop. There's no minimum amount, so you can invest as much or as little as you think you need to make the business successful.

Can I transfer or receive money from outside UAE?

As per UAE Laws, you are allowed to receive or transfer capital and profits outside the country.

What kind of manpower is available in UAE? Can I hire people from my own country for my business?

The UAE has a diverse expatriate-dominated workforce, you can hire locally or bring in workers from your home country.

Can I run a small business while in contract working with another employer in UAE?

Yes, but it depends on competing with your employer and getting their approval (NOC).

Do I have to move my employee visa if I want to set up a company in the UAE?

You might not need to change your visa status, but transitioning from employee to business visa is an option. This process involves legalities, so consulting legal experts is crucial for a smooth transition.

Can I Renew a UAE Work Visa?

Yes, you can. All types of Residence Visas for the UAE are issued for 2 to 3 years and can be renewed. Your sponsor has to renew your UAE Work Visa within the 30 days before it is set to expire.

Do I need to renew my trade license in the UAE, and after how long does it expire?

Trade licenses in the UAE are typically valid for one year and must be renewed annually before the expiration date to avoid penalties.

FREE ZONE

What are the types of companies that I can setup in UAE Free Zones?

UAE's Free Zones offer several business structures:

- Private Free Zone company.
- Branch of an international company.
- Branch of the company already working in UAE.
- Professional services.

Can Freezone companies trade with Mainland companies?

Free zone companies can trade with mainland companies, but they are subject to specific restrictions and must obtain the appropriate permits and licenses.

Are there any restrictions on ownership in UAE Freezones for foreign investors?

No, Foreigners can own 100% of their company, no local sponsor needed.

Is a physical office space required for a Freezone license?

Most Freezones require a physical office space, we can help you find suitable office options that meet the Freezone's requirements.

How long does it take to obtain a Freezone license through DE TEMPETE?

5 to 7 Working days. Depends on the zone and license type.

What industries can benefit from a Freezone license in UAE?

Freezone license is suitable for a wide range of industries, including trading, manufacturing, technology, finance, consulting, and more.

What activities are allowed in UAE Free Zones?

UAE boasts numerous Free Zones, each catering to specific industries with unique facilities, regulations, and perks. Choose the perfect fit for your business, from general trade zones like Jebel Ali to specialized hubs like UAE Healthcare City.

Is annual audit compulsory for a Free Zone company?

UAE Free zone companies in the UAE must get audited yearly.

If my company in a UAE free zone receives income from outside of UAE am I obligated to pay VAT?

you do not need to pay VAT on money received from outside of UAE to free zone company. UAE free zones are specifically designed to offer tax benefits to companies operating within their boundaries. This includes exemption from VAT on international transactions. Therefore, the money transferred from Australia to your free zone company will not be subject to VAT.

Is VAT applicable to free zone companies in UAE?

Yes, VAT is generally applicable to free zone businesses.

Which free zones in the UAE offer a 0% VAT advantage?

The key free zones in the UAE that offer a 0% VAT advantage are the Designated Zones, such as JAFZA, DAFZA, and RAK Free Trade Zones, as long as they meet the specified criteria set by the UAE government.

MAINLAND

What are key Mainland locations in the UAE?

Here are some key mainland locations in the UAE for company formation and business setup:

- **Abu Dhabi Mainland** [Abu Dhabi Island, Khalifa City, Al Reem Island, Al Raha Beach, Masdar City, Yas Island]
- **Dubai Mainland** [Deira, Bur Dubai, Business Bay, Sheikh Zayed Road, Al Quoz, Jebel Ali Industrial Area, Dubai Investment Park (DIP), Al Garhoud, Dubai World Trade Centre (DWTC) Area, Al Jadaf, Al Safa etc]
- **Sharjah Mainland** [Sharjah City, Al Khan, Al Nahda, Muwaileh]
- **Ajman Mainland** [Ajman City, Al Jurf, Al Humaidiya]
- **Umm Al Quwain Mainland** [Umm Al Quwain City, Al Towwaya]
- **Ras Al Khaimah Mainland** [Ras Al Khaimah City, Al Hamra, Al Jazirah Al Hamra]
- **Fujairah Mainland** [Fujairah City, Al Faseel, Al Hayl]

What types of licenses can DE TEMPETE assist in obtaining for Mainland business set up in UAE?

We facilitate commercial, professional, and industrial licenses, tailored to your specific activities and business needs.

What is Mainland company formation in UAE?

Mainland company formation in UAE means a business setup in the onshore region, registered after approval from the Department of Economic Development (DED).

What is a UAE Mainland license?

The Mainland UAE license is a trade license provided by DED, and there are no restrictions on commercial activities in the Mainland area.

How much tax do I pay on a Mainland company in UAE?

Starting from June 2023, Standard rate is 9%, with exemptions for certain businesses and a 0% rate for those with taxable profits under AED375,000.

Are there ownership restrictions in Mainland business set up in UAE?

While certain activities may require local partners, legal structures often allow you to maintain majority control.

What are the benefits of a professional license for Mainland company formation in UAE?

Ideal for freelancers, consultants, and service providers, a professional license offers 100% ownership and flexibility.

Do I need a local agent or a local sponsor for my license in Mainland?

If you are planning to start a Mainland company that you will have to use a UAE national as your local agent or local sponsor.

Which department will issue the trade license in Main land UAE?

The Department of the Economic Development is responsible to issue the trade license of all the three categories. It will depend on the type of your business and the activities that you will be performing. To get the UAE license for your business you have to ensure that you submit the required and legal documents.

How can I renew my business license in Mainland?

If you want the renewal of your commercial license, you will have to submit the DED registered certificate with the approval that you had from the Ministry of Economy and National Media Company. In order to renew the trade license you will have to submit the valid EJARI certificate and your lease contracts.

How do I get a local sponsor?

There are many moves to find a reliable local sponsor. But the easier and the best way is to connect with the best business setup consultants in UAE. They will help you in finding the right local sponsor for you.

Can Mainland businesses Operate in freezones In UAE?

Mainland businesses can operate in Free Zones through a branch or subsidiary, but they must comply with the regulations and restrictions of the specific Free Zone.

Can foreigners now own 100% of Mainland companies?

Yes, foreigners can now own 100% of Mainland companies in the UAE under certain conditions.

Is a physical office space required for a Mainland license?

YES, Mainland require a physical office space. DE TEMPETE can help you find suitable office options that meet the Mainland requirements.

How long does it take to obtain a Mainland license through DE TEMPETE?

1 to 2 week. Depends on the business structure and license type.

Is VAT applicable to the Mainland Companies in the UAE?

Mainland companies are required to register for VAT if their taxable supplies and imports exceed the mandatory registration threshold of AED 375,000 per year. They can also register voluntarily if their supplies and imports are between AED 187,500 and AED 375,000 per year.

OFFSHORE

What are the key Offshore locations in the UAE?

Here are some key mainland locations in the UAE for company formation and business setup:

- Ras Al Khaimah International Corporate Centre (RAK ICC)
- Jebel Ali Free Zone (JAFZA) Offshore
- Ajman Free Zone Offshore (Ajman International Business Company - Ajman IBC)

How long does the registration process take?

Registering an offshore company in UAE doesn't take too long. If everything goes smoothly, it typically takes about one to four weeks (depending on the specific jurisdiction).

Where can I register my offshore company?

There are two main jurisdictions for offshore businesses in UAE. These are RAK (Ras al Khaimah) and JAFZA (Jebel Ali Free Zone), Ajman. Both locations offer different advantages, and the best one for you depends on the nature of your business, plus other factors.

Am I eligible for UAE residency visa?

Not if you're setting up an offshore company. Residency visas are only available to those launching an onshore business, or a company in a Free Zone.

Do I need to visit the UAE to register my company?

This depends where you set up your business. If you choose RAK, you don't need to be present in the country to register. However, JAFZA requires all shareholders and directors to sign the relevant documents in the presence of local authorities, so if you set up there, you will need to visit.

What are the limitations of an Offshore Company Setup?

Offshore Company Formation in UAE has few limitations such as – No provision to issue residency visa, no trade within UAE, no leasing or renting a Local Premise in the UAE.

How much time will it take to Register an Offshore Company in the UAE?

Offshore Company can be incorporated in 1 Weeks. Offshore Company registration is relatively easy by applying through an online registration form along with the right documents. In normal circumstances, the company registration will happen even without the physical presence of the company owner.

Why set up an offshore company in the UAE?

The UAE's tax-free status, privacy laws, easy setup process, and access to banking make it an attractive jurisdiction for setting up an offshore company, especially for those looking to hold assets, conduct international trade, or benefit from tax optimization.

Do offshore companies in UAE pay taxes?

Offshore companies need not pay any corporate tax for their profits.

Is Audit Mandatory for Offshore Company in UAE?

UAE offshore companies generally don't need audited financial statements. However, they must keep detailed records for financial oversight

Is VAT applicable on offshore company in UAE?

UAE VAT law does not require offshore companies to register for VAT, as they are not considered to be conducting business within the UAE. Offshore companies in the UAE generally enjoy a VAT-free existence.

Can offshore companies apply for a corporate bank account in UAE?

Yes, Offshore Companies can apply for a Corporate Bank Account in UAE. However, compliance is very strict and would take longer to open an account due to the KYC forms and bank policies. If the Company & investor Profile strong, there is a higher chance of easy bank account opening.

OUR SERVICES





Topic 07:

WHY CHOOSE DE TEMPETE FOR YOUR BUSINESS SETUP NEEDS?

DE TEMPETE is your comprehensive partner for establishing and managing your business in the UAE. Our expert team provides a full range of services, including company registration, office space selection, visa processing, and comprehensive financial solutions.

We tailor our services to meet the unique needs of both startups and established companies, ensuring a smooth and compliant journey within the UAE market. Our strong relationships with government authorities expedite processes, guaranteeing efficiency and regulatory adherence. By deeply understanding your business goals, we offer expert guidance to navigate complexities and empower you to achieve sustained growth.



**Customised
Solution**



**Experienced
Consultants**



**Hassle Free
Procedure**

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