UAE · CONFIDENTIAL BRIEFING

THE COMPLIANCE SERIES

UAE Business Compliance Blueprint

How UAE founders avoid VAT penalties, tax mistakes & financial chaos — through one disciplined framework.

FRAMEWORK
T · A · C™

SCOPE
Tax · Accounting · Compliance

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THE PREMISE

Most UAE businesses don't fail from a lack of *revenue.*

They fail quietly — from structural gaps that never appear on a sales report until the penalty notice arrives.

01 **Tax errors** — registrations missed, thresholds misjudged, filings late.

02 **Poor accounting structure** — books that can't support a decision or a deadline.

03 **Compliance gaps** — obligations no one was tracking until it was too late.

This guide closes those gaps.
Systematically.

THE OPERATING FRAMEWORK

The T.A.C Framework™

Three disciplines that, run together, keep a UAE business protected, accurate, and audit-ready — at every stage of growth.

T **Tax**

Protect profit and avoid penalties.

A **Accounting**

Control financial accuracy and clarity.

C **Compliance**

Stay audit-ready, always.

PRINCIPLE	OUTCOME
Each pillar depends on the other two.	*Weakness in one becomes risk in all.*

01 SECTION

Tax

Where most businesses get it wrong.

- **Corporate Tax** is mandatory — registration is not optional.
- **VAT** is threshold-based, and the thresholds are exact.
- **Mistakes carry penalties** — and they compound with time.

FEDERAL CORPORATE TAX

Corporate Tax in the UAE

0%

on taxable profit up to

AED 375,000

9%

on the portion of profit

above the threshold

01 Registration is **mandatory for all in-scope entities**, regardless of size.

02 A Corporate Tax return must be **filed on time**, every period.

⚠ CRITICAL

Even a company with **zero income** must still register for Corporate Tax. "No revenue" is not the same as "no obligation."

VALUE ADDED TAX

VAT in the UAE

375,000

MANDATORY REGISTRATION

Taxable turnover at or above AED 375,000 — registration is required.

187,500

VOLUNTARY REGISTRATION

Turnover at or above AED 187,500 — registration is optional.

THE COMMON MISCONCEPTION

VAT applies to your sales — not your profit.

⚠ CRITICAL

Registering **late** creates penalty exposure — and the clock starts at the threshold, not at filing.

02 SECTION

Accounting

Your business control system.

- If the **accounting** is wrong, the tax becomes wrong.
- If the **numbers** are wrong, the decisions become wrong.
- If the **records** are wrong, compliance becomes risky.

WHAT YOU MUST MAINTAIN

The records every UAE business must keep

Four record sets, maintained continuously — the foundation that every tax position and every filing is built on.



Invoices

Every sale and purchase, issued and received.



Expenses

All costs, properly categorised and evidenced.



Bank records

Statements reconciled to the books.



Payroll

Salaries, WPS, and end-of-service records.

7

RETENTION PERIOD

Keep records for seven years.

A standing FTA requirement — not a suggestion.

03 SECTION

Compliance

Not optional. Not occasional.

- **VAT filing** — on every assigned period.
- **Corporate Tax filing** — accurate and on time.
- **UBO updates** — kept current as ownership changes.
- **Licence renewals** — tracked before they lapse.

RISK REGISTER

The 7 most common mistakes

Each one is avoidable. Most are invisible until they're expensive.

01 Late Corporate Tax registration

02 Incorrect VAT setup

03 Poor or inconsistent bookkeeping

04 Mixing personal and business expenses

05 Missing filing and renewal deadlines

06 No structured reporting system

07 No compliance tracking in place



Every one is avoidable — the difference is having a system.

THE STANDARD

What well-run UAE businesses *do differently.*

01 **Register early** — tax obligations handled before the threshold, not after.

02 **Keep clean books** — accurate, current, and decision-ready at all times.

03 **Track compliance monthly** — obligations reviewed on a fixed cadence.

04 **Use proper systems** — Zoho Books, Xero or QuickBooks — not spreadsheets and memory.

05 **Work with experts** — an FTA-approved agent in the loop before problems form.

Good compliance isn't expensive. The alternative is.

YOUR NEXT STEP

Free Business Compliance Review

A complimentary check — worth AED 1,500 — that identifies exactly where your business stands.

WE IDENTIFY **VAT risks**	WE IDENTIFY **Corporate Tax exposure**
WE IDENTIFY **Accounting gaps**	WE IDENTIFY **Penalty risk**

Request Your Free Compliance Check →

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