

UAE Corporate Tax Readiness Checklist

Twenty-five checks before you press “submit” on EmaraTax.

Written for owner-managed companies with a financial year ending 31 December 2025, whose first or second corporate tax return and payment fall due on **30 September 2026**. Work down the list with whoever keeps your books. Anything you cannot tick is a conversation to have before the return goes in — not after.

1 · Registration and profile		EMARATAX
DONE	ITEM	
☐	Corporate tax TRN issued and the certificate saved Every mainland and free zone company must register, including those with no profit and those claiming a relief.	
☐	Tax period on EmaraTax matches your financial year A licence issued mid-year often produces a first period that is longer or shorter than twelve months.	
☐	Licence, activities, owners and authorised signatory are current on the portal Changes must be notified to the FTA; out-of-date details delay refunds, clearances and correspondence.	
☐	Someone other than the preparer has EmaraTax access So a resignation or a lost phone does not lock the company out in filing week.	

2 · Books and financial statements		THE FOUNDATION
DONE	ITEM	
☐	Financial statements prepared for the full tax period under IFRS IFRS for SMEs may be used where revenue is AED 50 million or less. Cash basis is allowed only where revenue is AED 3 million or less.	
☐	Every bank account and card reconciled to the last day of the period Unreconciled items are the first thing a reviewer asks about.	
☐	Receivables, payables and stock agreed to supporting listings Old balances written off need a documented reason to be deductible.	
☐	Fixed asset register agrees to the ledger; depreciation policy applied consistently	
☐	Owner drawings, personal expenses and shareholder loans separated from business costs Personal spending through the company is not deductible and is a common adjustment.	
☐	Audit arranged if required Audited statements are mandatory where revenue exceeds AED 50 million and for Qualifying Free Zone Persons. Many free zones and banks require an audit regardless.	
☐	VAT returns for the year reconcile to revenue in the accounts The FTA holds both figures. Differences should be explained on paper before they are asked about.	

Rates. 0% on taxable income up to AED 375,000 and 9% above it. The return and the payment are both due within nine months of the end of the tax period.

3 · From accounting profit to taxable income

THE COMPUTATION

DONE	ITEM
☐	Entertainment expenses identified — only 50% is deductible Client meals, hospitality and similar. Staff welfare costs are treated differently, so keep them in separate accounts.
☐	Fines, penalties and non-qualifying donations added back Including traffic fines, FTA penalties and donations to bodies that are not approved Qualifying Public Benefit Entities.
☐	Net interest expense tested against the cap Deduction is limited to 30% of tax-EBITDA where net interest exceeds AED 12 million. Below that, no restriction applies.
☐	Salaries, rent and loans with owners and their relatives priced at market value Payments to connected persons are deductible only to the extent they reflect market value for the service provided.
☐	Related-party transactions listed, with evidence of arm's-length pricing A transfer pricing disclosure accompanies the return where the FTA's thresholds are met. Larger groups also need a master file and local file.
☐	Exempt income separated Dividends from UAE companies are exempt. Foreign dividends and capital gains can be exempt under the participation exemption if its conditions are met.
☐	Tax losses brought forward scheduled Losses may offset up to 75% of taxable income in a later period; the balance carries forward.
☐	Unrealised gains and losses election considered The realisation-basis election is made in the first return and is generally irrevocable.

4 · Reliefs and elections

DECIDE, DO NOT DRIFT

DONE	ITEM
☐	Small Business Relief assessed Available to resident persons with revenue of AED 3 million or less in the current and all previous tax periods — now for tax periods ending on or before 31 December 2029. It is elective, must be claimed in the return, and losses cannot be carried forward from a period in which it is claimed.
☐	Free zone position tested each year The 0% rate applies only to Qualifying Income of a Qualifying Free Zone Person, with adequate substance, audited accounts and the de minimis test met.
☐	Tax group or loss transfer considered for companies under common ownership Losses can be transferred between companies with at least 75% common ownership; forming a tax group requires 95%. Both need matching financial years.

Why elections matter. Several choices — Small Business Relief, the realisation basis, the transitional rules for assets held before corporate tax began — are made in the return itself. Filing without considering them is a decision too, and some cannot be reversed later.

5 · Filing, payment and records

THE LAST MILE

DONE	ITEM
☐	Return reviewed by a second person and submitted before the due date
☐	Payment made through EmaraTax and the receipt filed Bank transfers can take one to two working days to reach the FTA; do not leave it to the final afternoon.
☐	Working papers saved in one folder: accounts, computation, elections, related-party schedule Records must be kept for seven years after the end of the tax period. Next year's return starts from this file.

IF IT GOES WRONG	PENALTY
Late registration	AED 10,000
Late filing of the return	AED 500 per month for the first twelve months, then AED 1,000 per month
Late payment of tax	14% per annum, calculated monthly on the unpaid amount

Dates to put in the calendar

31 DECEMBER YEAR-ENDS

DATE	WHAT IS DUE
30 September 2026	Corporate tax return and payment for the year ended 31 December 2025
28th of the month after each VAT period	VAT return and payment
31 December 2026	Year-end: stock count, cut-off, accruals and related-party balances agreed — the 2026 return is built from this close
31 March 2027	E-invoicing: accredited service provider appointed (businesses with revenue below AED 50 million)
1 July 2027	E-invoicing mandatory for businesses with revenue below AED 50 million (1 January 2027 for those at or above)
30 September 2027	Corporate tax return and payment for the year ended 31 December 2026

Could not tick everything?

Send us your trial balance and we will tell you what stands between you and a clean return.

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Prepared September 2026. This checklist is general guidance based on Federal Decree-Law No. 47 of 2022 and related decisions as published at that date. It is not tax advice for your specific circumstances. Keep all records supporting the return for seven years after the end of the tax period.