

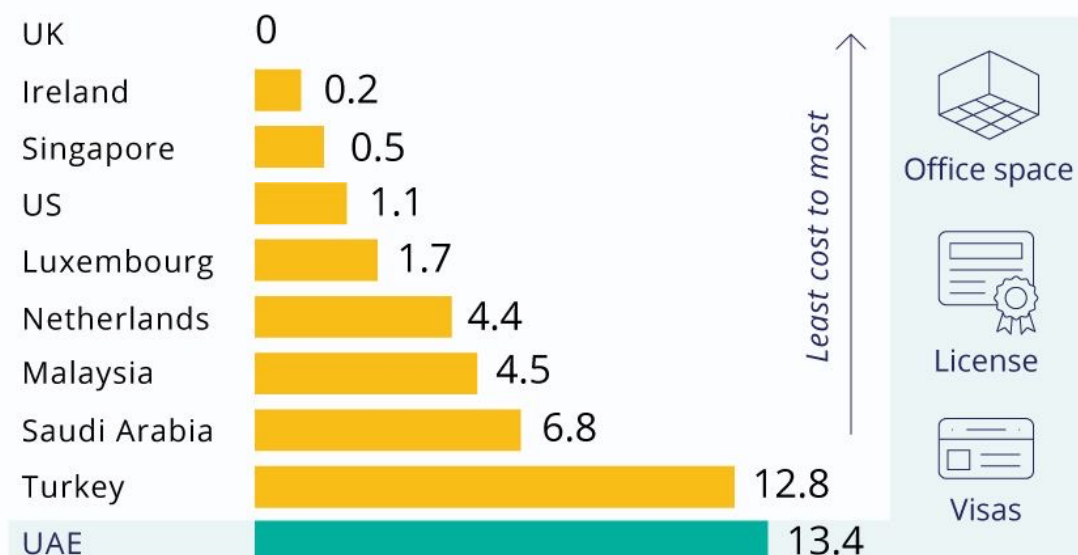
Zero incomes tax trap.

Opening a business in Dubai, it can be a quicksand. Even there are many benefits such as zero income tax, a world-class broadband and a multilingual workforce, but those are one side of the story. To start your business there, you need to learn how it's work there, what and where to start.

It just going to cost a lot just for starting up your business. Compare to Sweden it cost as low as 50\$ regardless of the type of business to register a trade mark, have you home address as you business address and declare taxes as you go. As simple as this. UAE (inc. Dubai) is a different story, with two approach (starting business in the city or free zone).

Cost of starting a business

For men, as % of income per capita, 2017



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starting business in the city: As foreigner you can't just open a store in any city of UAE alone, you need a UAE citizen partner with min 51% share of the business. And this can minimal the fee cost of opening business.

Free zone: you will be prohibited to have any business activity of any kind inside the city, and more fess will be added to you.

Here an simple analysis of the cost of setting up a business in free zone (2019)

Sample cost analysis of setting up a business in a free zone

	Cost Bracket	Fee (AED)	Fee (USD)
One-time costs	Freezone company formation	17,500	\$4,765
	Name approval and notarization	4,995	\$1,360
	Examination and clearance	590	\$161
Recurring costs (per year)	Rent (50 sq. ft.)	7,500	\$2,042
	Insurance and ID card	670	\$182
	Freezone visa free	5,000	\$1,361
	Registered agent free	6,000	\$1,634
	ICT plan (estimated)	4,000	\$1,089
	Total setup cost	46,255	\$12,595
	Running cost (per year)	23,170	\$6,309
	Minimum bank balance	16,000	\$4,357
	Total cost for the first year	62,255	\$16,952

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You really want to start a business (restaurant, store) in Dubai city?

Here is the problem you will face, where and what should you open?

I can give you some insight about what is the best option for you, and where should be the store located, to save you time and money.

- I will provide a list of the Dubai's official areas and locate them on the map.
- I will bring Foursquare data about all business activity for those areas and locate them on the map too.

- I will use Clustering Machine-learning approach to get score of already established businesses for the relative areas of the city.
- Conclusion and how to make the best choice if you want to start a retail or restaurant in the city of Dubai.

Reference:

- [The hidden costs of starting up in the UAE](#)
- [List of communities in Dubai](#)
- [Tech entrepreneurship ecosystem in the United Arab Emirates](#)