



United Arab Emirates

VAT Administrative Exceptions

VAT Guide | VATGEX1

June 2023



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1. Brief overview of this guide

This guide is prepared to help you submit your VAT Administrative Exception request (referred to as “Exception Request”) to the Federal Tax Authority (“FTA”) related to the specific cases detailed below. It provides you with:

- **an overview** of the categories for which an Exception Request can be made.
- **an explanation of the fields and information** you might see or need to complete the form.

2. Purpose of the VAT Administrative Exception Request

2.1 What is a VAT Administrative Exception?

A VAT Administrative Exception is a mechanism which provides registrants with concessions / exceptions allowed by the Federal Decree-Law No. 8 of 2017 on Value Added Tax and its amendments (“Decree-Law”) or Cabinet Decision No. 52 of 2017 on the Executive Regulation of the Federal Decree-Law No. 8 of 2017 on Value Added Tax and its amendments (“Executive Regulation”) if difficult circumstances prevent them from following certain procedural aspects of the Decree-Law or the Executive Regulation.

VAT Administrative Exceptions are grouped into the following categories and are relevant to VAT only:

- Tax Invoices
- Tax Credit Notes
- Length of the Tax Period
- Stagger
- Evidence to prove export of goods
- Time for the export of goods

Details of the above categories are documented in section 2.3.

NOTE: VAT registration exception is not covered under this process. Exceptions related to VAT registration can be done through the relevant process and form.



2.2 Who is eligible to make a VAT Administrative Exception Request?

The applicant must:

- be a registrant with the FTA;
- satisfy the requirements in respect of the relevant Exception Request, as outlined below; and
- provide all relevant supporting documentation.

2.3 What are the categories covered under VAT Administrative Exception?

As stated above, an Administrative Exception Request can be made only in respect of certain specified categories. Such categories and the underlying conditions for the exceptions along with reference from the law are set out below:



| Category | Case/ scenario | Reference in the law | Conditions |
|---------------------------------|---|---|--|
| Tax Invoices | <p>A registrant can make a request to:</p> <ul style="list-style-type: none"> a) not mention particulars specified in Article 59 of the Executive Regulation for Tax Invoices; or b) not be required to issue Tax Invoices in certain cases. | Article 59(7) of the Executive Regulation | Sufficient records are or will be available to establish the particulars of the supply or class of supplies, and it would be impractical for the taxable person to issue a tax invoice. The FTA will consider if the conditions are met. |
| Tax Credit Notes | <p>A registrant may make a request to:</p> <ul style="list-style-type: none"> a) not mention particulars, as prescribed in Article 60 of the Executive Regulation for Tax Credit Notes; or b) not be required to issue Tax Credit Notes in certain cases. | Article 60(2) of the Executive Regulation | Sufficient records are available to establish the particulars of the supply or class of supplies, and it would be impractical to issue a Tax Credit Note. The FTA will consider if the conditions are met. |
| Length of the Tax Period | <p>A registrant may make a request to change the length of the Tax Period.</p> <p>If the registrant applies to change the length of the tax period to half yearly (6 months), the FTA will only consider allowing this for the following categories:</p> | Article 62(2) of the Executive Regulation | <p>The registrant must provide the reasons for requesting a change in the length of the Tax Period.</p> <p>If the registrant chooses to change the tax period to half yearly (6 months), the registrant must provide the following information depending on the category the registrant falls under:</p> |



| Category | Case/ scenario | Reference in the law | Conditions |
|----------|---|----------------------|---|
| | <p>a) Individuals: Individuals who can apply to change the tax period are for example property owners and freelancers. The FTA will consider all the supplies made by such persons before arriving at a decision.</p> | | <ul style="list-style-type: none"> Number of invoices issued in the preceding 12 months. Total tax paid in the preceding 12 months. Taxable supplies in the preceding 12 months. |
| | <p>b) Businesses in a continuous refund position: Businesses that were in a refund position for all the tax periods in the preceding 12 months, and expect to remain in the same position.</p> | | <ul style="list-style-type: none"> Explanation and confirmation that the registrant does not expect any change in the business model, which may result in a change to the refund position. |
| | <p>c) Small and medium enterprises (SME) with funding: Registered SMEs which receive official funding approved by the Government can apply to change their tax period.</p> | | <ul style="list-style-type: none"> Total tax paid in the preceding 12 months. Taxable supplies in the preceding 12 months. |
| | <p>d) Small and medium enterprises (SME) without funding: Registered SMEs which do not receive official funding approved by any Government entity provided the total value of taxable supplies in the preceding 12 months was equal to or less than AED 9 million.</p> | | <ul style="list-style-type: none"> Total tax paid in the preceding 12 months. Taxable supplies in the preceding 12 months. Whether the registrant has incurred any penalties in the preceding 12 months. |



| Category | Case/ scenario | Reference in the law | Conditions |
|--|---|---|--|
| Stagger | A registrant who is on quarterly filing, may request a change in the stagger assigned to him so that the tax period ends with the month requested by him. | Article 62(3) of the Executive Regulation | The registrant must provide the reasons for requesting the change in stagger. |
| Evidence to prove export of goods | <p>A registrant may request the FTA to allow the use of an alternative form of evidence to prove the export of goods.</p> <p>The FTA, on reviewing the request, may specify an alternative form of evidence according to the nature of export or according to the nature of the goods being exported.</p> | Article 30(6) of the Executive Regulation | The registrant must provide the actual reasons / circumstances for requesting an approval to allow the use of an alternative form of evidence and provide details of the alternative evidence proposed to be used. |
| Time for the export of goods | <p>A registrant may request an extension of time to physically export goods outside the UAE.</p> <p>The FTA can extend the 90-day period from the date of supply, if the FTA has determined, after the supplier has applied in writing, that either of the following applies:</p> <ul style="list-style-type: none"> • Circumstances beyond the control of the supplier and the recipient of the goods have prevented, or will prevent, the export of the goods within 90 days of the date of supply. • Due to the nature of the supply, it is not practicable for the supplier to export the goods, or the class of goods, within 90 days of the date of supply. | Article 30(7) of the Executive Regulation | The registrant must provide the actual reasons / circumstances, as further defined in the legislation on why an extension of time for the export of goods is sought. |



2.4 How to make a Request?

A VAT Administrative Exception Request must be submitted via the concerned person's Emaratax portal on the FTA's website. Please refer to the relevant Emaratax user guide for more information on the process to submit the application.

2.5 Who can submit the VAT Administrative Exception Application Form on your behalf?

The following can submit the VAT Administrative Exception:

- The authorised signatory of the registrant;
- The registrant's appointed tax agent; or
- The registrant's appointed legal representative.

If you are a member of a tax group, the request should be submitted by the representative member of the tax group.

IMPORTANT: Tax Advisors (who are not registered Tax Agents) are not permitted to submit any VAT Administrative Exception Requests on behalf of a registrant.

3. What information will you need when completing the VAT Administrative Exception Application Form?

The following guidance is designed to assist applicants to understand the questions in the VAT Administrative Exception application form in order to complete the form accurately. Further information on the actual process of submitting the exception request via Emaratax is provided in a separate Emaratax user guide.

Once you select the relevant category for which you are seeking an Administrative Exception, the system will take you to the appropriate form.

In addition to completing the form, you are also required to provide a description of why you are seeking a VAT Administrative Exception. This should include the following:

- a description of why you are making a VAT Administrative Exception Request as per the criteria outlined above;
- a supporting letter which includes a detailed background and the set of facts which support the administrative exception request, as well as detailed reasons why you are not able to meet the legal requirements and, hence, need the exception;



- any documentary proof to support the factual and legal grounds on which the request is based (e.g. alternative documents, sample invoices, contracts, payment slips or other). The nature of the documents is based on the category of the exception.

Accepted file types are PDF, DOC, XLS, XLSX, JPG, PNG and JPEG. The total file size limit is **15 MB**.

4. Completing your VAT Administrative Exception Application Form

Please fill in the form field by field, as all fields are mandatory and must be completed in order to submit the request. You do not need to input anything in the boxes that are automatically auto populated by the system, as shown below. Instead, you should include the information and relevant documents as supporting documentation in the VAT Administrative Exception Application form. The following guidance is designed to help you understand the questions in the VAT Administrative Exception Application form in order to complete the form accurately.

| 1. Applicant Details | |
|---|--|
| Note that this section will be prepopulated based on the user profile created or registrant's taxpayer record. | |
| Tax Registration Number (TRN), Name and Address of the Applicant | <p>Please review the prepopulated data and note that:</p> <ul style="list-style-type: none"> - If the request relates to a company, the name of the company should be reflected and not the name of the natural person submitting the request. - If the request is from a tax group, the name of the representative member should be reflected and not the name of any of the other group members. |
| Tax Agent Approval Number (TAAN) | If the request is submitted by a tax agent on behalf of a client, the TAAN will be prepopulated based on the tax agent's profile. |
| 2. Administrative Exceptions Details | |
| Detailed description for why you are requesting an Administrative Exception | Please provide description of why you are making a VAT Administrative Exception Request. |



| | |
|--|--|
| Attach the relevant supporting documents to facilitate the processing of your request | Please upload the supporting letter and documentary proof to facilitate the processing of your request. This could, for example, include alternative documents, sample invoices, contracts, payment slips or other documents as applicable for the specific category the application relates to. |
|--|--|

You may hide certain information that is commercially sensitive when submitting the document(s).

3. Review and declaration

| | |
|---|--|
| Summary of fields previously completed | Review the details, pre-populated based on information provided in the application form. |
| Authorized signatory | Pre-populated based on the registrant's data. |
| Declaration | Please confirm that all the information provided is correct, all relevant supporting documents are uploaded, that you have considered the relevant tax legislation and other guidance provided by the FTA and that you agree to provide further information if requested by the FTA. |



5. Submitting the VAT Administrative Exception Form

Once you have completed the VAT Administrative Exception Application Form, you will be able to view the status, as this will be updated, of your application (i.e. in review, approved, rejected, or additional information is requested) on the EmaraTax portal.

6. Response from the FTA on your VAT Administrative Exception Request

Once the request is accepted, it may take the FTA up to **40 business days** to decide on your VAT Administrative Exception request if it is in relation to Tax Invoices, Tax Credit Notes, Length of Tax Period, Stagger, Evidence to Prove Export of Goods.

It may take the FTA up to **20 business days** to decide on your VAT Administrative Exception request if it is in relation to Extending the Time for the Export of Goods.

Note: If your application is incomplete, or additional information is required, the FTA will ask you to provide the required/additional documentation. After re-submitting the complete application, it may take the FTA a further 40/20 business days to respond to your updated request for a VAT Administrative Exception.

The Approval or Rejection provided by the FTA is based on the facts provided by you at the time the VAT Administrative Exception Form is submitted.

The final response to your VAT Administrative Exception request will be in a decision format and you will receive an email notification (that the decision in PDF form is available in EmaraTax) within 5 business days of the decision being made.

Kindly note that VAT Administrative Exception Requests sent to the previous email: specialexceptions@tax.gov.ae, or to other FTA email addresses will no longer **receive a reply**.



7. Updates and Amendments

| Date of amendment | Amendments made |
|-------------------|--|
| March 2020 | <ul style="list-style-type: none"> A new category of VAT Administrative Exception relating to “Evidence to prove export of goods” has been added. |
| June 2023 | <ul style="list-style-type: none"> Revised the whole guide for simplification and amendment of content in light of recent updates. Removed references to eServices. Updated descriptions of fields in Administrative Exception application as per Emaratax. |