



Private Clarifications

User Guide | USEG001

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1. Introduction

1.1. Short brief

The Federal Tax Authority (“FTA”) is the government entity responsible for the administration, collection, and enforcement of federal taxes in the United Arab Emirates (“UAE”).

The following federal taxes apply in the UAE:

- Excise Tax - introduced with effect from 1 October 2017
- VAT - introduced with effect from 1 January 2018
- Corporate Tax – to be introduced with effect from 1 June 2023

The FTA publishes guides, public clarifications, and references that help taxpayers understand their federal tax obligations and ensure compliance with the UAE tax laws. Taxpayers may also seek guidance from the FTA on specific queries on the application of federal tax laws through the Private Clarification (“Clarification”) mechanism.

1.2. Purpose of this document

The purpose of this document is to provide guidance on who may apply for a Clarification, how eligible applicants may submit Clarification requests to the FTA regarding specific tax matters of uncertainty on which they would like further guidance, as well as instances where a Clarification application may be rejected.

If you have additional questions on specific fields in the Clarification form, please contact the FTA by clicking [here](#) or sending an e-mail to info@tax.gov.ae.

1.3. Who should read this document?

This document should be read by any person wishing to request a Clarification from the FTA on specific tax matters of uncertainty.

This Guide is intended to be read in conjunction with the relevant law and other relevant guidance published by the FTA.



1.4. Status of the document

This Guide is not a legally binding statement, but is intended to assist in understanding the process to apply for a Clarification. This guide is not intended to provide comprehensive details associated with taxes and is not intended for legal reference.



2. Purpose of Clarifications

A Clarification is an official, signed, and stamped document issued by the FTA in response to a query from an applicant regarding the tax treatment of a specific transaction(s).

The Clarification aims to provide guidance on the FTA's understanding of the relevant tax legislation and its proper application to the specific facts stated in the application. It is important to note that, under the Clarification mechanism, the FTA will not verify the facts stated by the applicant, and will rely solely on the provided information. The applicant should, therefore, ensure that the facts provided are accurate, complete and relevant to the specific request.

The Clarification provided by the FTA applies only to the applicant and the specific transaction(s) for which the Clarification has been requested. The Clarification set out by the FTA's response does not set a precedence that could be applied to other persons, or by the applicant for materially different transactions.



3. Instances where Clarification requests will not be accepted

The FTA may refuse to provide a Clarification in the following instances:

- The Clarification form is not completed correctly, for example
 - The relevant supplies have not been clarified (including the type, how it is supplied, who is supplying what to who, etc.).
 - The facts have not been stated clearly.
 - No technical or legal analysis has been provided.
 - The relevant supporting documents to prove the relationships and the supplies made have not been attached.
 - No summary of the above is provided in the application form and these fields only refer to attached documents, e.g., stating “refer to attached letter”.
- Clarification request is not clear.
- The Application is submitted by a person other than an authorized person, including instances where:
 - Proof of authorisation was not provided (e.g. on e-Services or on submission of the application).
 - A tax agent applied for a clarification for a specific client without providing the client’s details, including name and TRN.
 - A natural person was indicated as “Applicant” in respect of a clarification request related to a company.
 - An application is submitted in the name of a member of a tax group, other than the representative member.
- A previous clarification has already been issued to the person on the same matter.
- The clarification request is about the treatment of transactions which the FTA believes are for the purposes of avoiding tax.
- The clarification request is hypothetical or for the purpose of seeking tax or tax planning advice.
- The clarification request relates to a matter in respect of which the FTA already provided public guidance, for example in the form of a guide or a public clarification.
- The application is related in any way to a matter raised in a tax inspection, audit, or assessment by the FTA.

Currently, Clarifications will only be available for VAT and Excise Tax. The FTA will announce the date from which clarification requests will be accepted for Corporate Tax.



The following are not Clarification requests and should be addressed through the appropriate channel:

- Reconsideration request
- Administrative penalty waiver request
- Administrative penalty payment by instalment request
- Special Input Tax Apportionment method request
- Administrative exception request
- System technical enquiries
- Other matters not pertaining to the interpretation of the relevant tax law in the context of specific facts



4. Submitting the Clarification form

4.1 Who is entitled to submit the Clarification form?

Any person may apply for a Clarification, provided that:

- The person is a party to the transaction in respect of which the Clarification is requested.
- The person has analysed the relevant tax law and regulations, as well as the relevant publications by the FTA and the answer is still uncertain. It is the responsibility of the applicant to monitor all publications by the FTA including, but not limited to, the law, regulations, public clarifications and guides.
- The Clarification request is based on a genuine and real factual matter.
- The matter at hand is not covered by previous Clarifications issued by the FTA to the same applicant.

Note, however that, for confidentiality reasons, the FTA will, generally, not address the tax obligations of another person in a Clarification issued to an applicant.

For tax registrants, the Clarification form must be submitted by the authorized signatory. For non-registrants, the person submitting the request must provide valid proof of authorization to submit the request.

It is not required that:

- The applicant is a taxable person
- The applicant appoints a tax agent
- The matter relates to a transaction, supply or matter of facts which has already occurred.

4.2 How to apply?

The person may submit the Clarification form by clicking [here](#). Alternatively, the Clarification form can be accessed through the FTA's website www.tax.gov.ae > Services > Tax Clarifications Request > Start

4.3 Who can submit the Clarification form on your behalf?

Generally, the person (or their authorised signatory) seeking a Clarification in relation to their business should submit the Clarification form. However, submissions will also be accepted from:

- Appointed tax agents
- Court appointed legal representatives



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

Tax advisors (who are not registered tax agents) are not permitted to submit any Clarification requests on behalf of another person.



5. Completing your Clarification form

The following guidance is designed to help you understand the questions in the Clarification form in order to complete the form accurately.

Any questions that are marked with an asterisk (*) are mandatory and must be completed in order to submit the form.

1. Applicant Information	
Name of the Applicant*	Please state the full English name. Where applicable, please provide the full name under which you are registered with the FTA.
Emirates ID No.*	Please state the Emirates ID number.
Tax Registration Number (if applicable)	If you are registered with the FTA for tax purposes, please provide your TRN. If you are registered with the FTA for both VAT and Excise Tax, input the TRN most relevant to your query.
Reasons for not being registered with the FTA	If you are not registered with the FTA for tax purposes, please specify the reasons for not being registered (e.g. a business below the registration threshold). Please note that the FTA may ask you to provide additional supporting documentation before proceeding with reviewing your Clarification request.
Tax Agent Approval Number (TAAN) (if applicable)	If you are a tax agent, or if you have an appointed tax agent, please input the TAAN here.
Tax Agency Name	If you are a tax agent, or if you have an appointed tax agent, please input the Tax Agency name.



<p>Tax Agency Number (TAN)</p>	<p>If you are a tax agent, or if you have an appointed tax agent, please input the Tax Agency Number (TAN).</p>
<p>2. Contact Details of the Applicant</p>	
<p>Building name and number, Street, e-mail address, etc.*</p>	<p>Please provide your contact details here.</p> <p>If you are located outside the UAE and some fields are not be relevant to you (e.g. P.O Box), please enter "NA".</p> <p>If you are a tax agent, you must state the email address that was used to register with the FTA as a tax agent (i.e. your online user account) and which is linked to the taxable person.</p>
<p>3. About the Request for Clarification</p>	
<p>Which tax does this relate to?*</p>	<p>Please select from the drop-down list including:</p> <ul style="list-style-type: none"> • Value Added Tax • Excise Tax • Both VAT and Excise Tax
<p>Is this request related to any previous Clarifications issued by the FTA?*</p>	<p>Please review any Clarifications that you have previously received from the FTA and avoid submitting duplicate Clarification requests or requests on similar tax technical matters of uncertainty.</p> <p>If the request is related to previous Clarifications issued by the FTA, please indicate "Yes" and ensure that the cover letter clearly indicates what the tax matter of uncertainty is. If the matter was already clarified in a previous Clarification or other guidance issued</p>



	<p>by the FTA, the Clarification request may be rejected.</p> <p>If the request is not related to previous Clarifications issued by the FTA, please select “No”.</p>
<p>If yes, please provide the form reference number of the previous Clarification(s)*</p>	<p>Please do not submit duplicate requests. If you have similar and/or additional enquires which are relevant to a previous request, please enter the reference number of the previous Clarification received here and list all Clarifications received by the FTA.</p> <p>If no, please leave the field empty.</p>
<p>Estimated tax amount that is/may be impacted by this technical Clarification (AED)*</p>	<p>Please estimate the potential tax amount impacted by your request. This can be either an additional amount of tax payment or, a credit or refund of tax. You may enter zero if you believe the amount cannot be quantified.</p>
<p>Please specify the nature of the estimated tax amount*</p>	<p>Please specify the nature of the estimated tax amount impacted by your request. For example:</p> <ul style="list-style-type: none"> • If it is related to VAT, please specify if it is in relation to input tax, output tax, import VAT or reverse charge. • If it is related to Excise Tax, please specify if it is in relation to payable tax or deductible tax.
<p>What periods have been / may be impacted by the matter at hand?</p>	<p>Please specify all tax periods impacted by this matter. These can be past, present and / or future periods.</p>
<p>Does the Clarification relate to a completed, current, or proposed supply chain / transaction?*</p>	<p>Please select from the drop-down options as provided below:</p> <ul style="list-style-type: none"> • Proposed transaction(s) • Current transaction(s) • Completed transaction(s)



4. Background and Facts	
Please provide a detailed description of the background, including transactions, steps and the intentions of the matter which is the subject of the Clarification *	<p>Please provide your input in no more than 500 words. Please refrain from only referring to an attached cover letter as the purpose of this question is to provide the FTA with a brief summary of the relevant background facts.</p> <p>It is not acceptable to only refer to the attached cover letter as the purpose of this question is provide a summary of the most important background information whereas the detailed background information must be provided in a cover letter which shall be uploaded as part of the Clarification request.</p>
Please provide any documentary proof to support the factual and legal grounds on which the request is based (e.g. sample invoices, contracts, payment slips or other)	Please attach the relevant supporting documents to facilitate the review and processing of your request.
5. Technical view	
Specify the legal provisions which are relevant to assessing the tax treatment of the matter which is the subject of the Clarification*	Please detail the article numbers as well as the name of the relevant tax legislation.
Specify any guidance issued by the FTA which is relevant to the technical position of the matter which is the subject of the Clarification*	Please include all relevant material and documents that you have reviewed and considered before raising this request. These can be guides, awareness session materials, e-Learning, quick references, or others. Please specify the relevant sections and / or page



	<p>references of the content you have reviewed.</p>
<p>Please specify details of any previous Clarifications issued by the FTA relevant to your claim</p>	<p>In cases where any previous Clarification that the FTA has provided to you which are relevant to your current request, please indicate here the details of the previous Clarification(s). Please ensure that the details provided here correspond to the Clarification(s) reference number that you have provided above in section 3.</p>
<p>Please upload any tax advice you received in respect of the matter for which you are seeking Clarification</p>	<p>Please provide any relevant tax advice that you have received with regards to your application. You may provide multiple documents and / or advice. This includes advice received from tax advisors and tax agents. Please do not upload a copy of the cover letter which was already uploaded. If no tax advice was received, leave the field blank.</p>
<p>What is the outcome of your tax technical assessments of the issue?*</p>	<p>Briefly describe the tax treatment which you consider to be correct based on your technical analysis. Please refrain from only referring to an attached letter.</p>
<p>What is the outcome of other alternative tax technical assessments of this issue?*</p>	<p>Briefly describe the other tax treatments which you have considered but do not consider to be applicable to the matter of uncertainty for which you seek clarification.</p>
<p>Please describe your analysis on the tax technical position which you consider to be correct in more detail*</p>	<p>Please elaborate on the analysis which you consider to be the correct applicable position in no more than 500 words.</p> <p>Please refrain from only referring to an attached letter but instead provide a brief summary of your analysis and attach a separate letter in which the detailed analysis is explained.</p>



<p>Please describe your analysis on the alternative tax technical positions in more detail*</p>	<p>Please elaborate on the alternative analysis to the above position which you have considered in no more than 500 words.</p>
<p>Please provide the questions which you would like the FTA to answer*</p>	<p>Please provide the questions which relate to the matter which is the subject of this specific request. Generally, try to limit the number of questions to no more than 5. The FTA may not be able to address all the questions on an individual basis.</p> <p>Please refrain from only referring to an attached letter but instead state the questions in a clear and concise manner on the application form. Further detail on the questions may be provided in a letter attached to the application.</p>
<p>6. Summary</p>	
<p>Please upload a formal letter including details of the facts, legal references, your technical analysis, the alternative treatments which you have considered may apply, and the question(s) for the FTA on which you are seeking Clarification*</p>	<p>Please upload a cover letter in PDF format which clearly sets out all the required information.</p>
<p>How many times have you submitted a request seeking the FTA's Clarification during the past 12 months*</p>	<p>Please confirm how many times you have approached the FTA for Clarifications in the last 12 months.</p>
<p>7. Authorised Signatory</p>	
<p>Title</p>	<p>Please state the title of the authorised signatory, for example, Mr., Mrs., Ms., or Dr.</p>
<p>Name*</p>	<p>Please state the authorised signatory's full name in English.</p>



	<p>If the Applicant is registered for tax, the name of the authorised signatory should be the same as the authorised signatory reflected on the Applicant's user profile on the FTA's records. If there were any changes in the particulars of the authorised signatory, the Applicant shall first update their profile before submitting a Clarification request.</p>
Is the authorised signatory resident of the UAE?*	<p>Please answer "Yes" or "No".</p>
If resident in the UAE, Emirates ID number*	<p>If the authorised signatory is a resident of the UAE, please state the person's Emirates ID number.</p>
Upload scan of Emirates ID*	<p>Upload a scan of the person's Emirates ID reflecting the name and ID number.</p>
If not resident in the UAE, nationality as shown in passport*	<p>If the authorised signatory is not a resident of the UAE, please state the person's nationality as reflected in the person's passport.</p>
Passport number*	<p>Please state the person's passport number.</p>
Upload scan of passport*	<p>Upload a scan of the person's passport page reflecting the person's full name, passport number and validity period (if applicable).</p>
Phone number*	<p>Please state the authorised signatory's phone number.</p>
Email Address*	<p>Please state the authorised signatory's e-mail address. This e-mail address should be the same as the e-mail address linked to the Applicant's user profile as authorised signatory.</p> <p>If there was a change in the authorised signatory's e-mail address, the Applicant must update their user profile before submitting a Clarification request.</p>



<p>Language Preference for Correspondence*</p>	<p>Please state whether the Clarification should be issued in English or Arabic.</p> <p>The cover letter should be submitted in the same language as the preferred language for the Clarification.</p>
<p>Please upload a scan of a signed document proving that the authorised signatory has the necessary authority of the signatory*</p>	<p>Please upload the signed document in a PDF format that proves that the person has the authority to act as the authorised signatory.</p>
<p>8. Checklist for completing the form</p>	
<p>I have answered all questions correctly to the best of my knowledge</p>	<p>Kindly confirm that you have answered all questions correctly to the best of your knowledge by selecting “Yes”.</p>
<p>I have provided all supporting information where required</p>	<p>Please select “Yes” to confirm that you have provided all the required supporting information.</p>
<p>I have considered the tax laws, regulations and cabinet decisions applicable to the subject of this clarification, as well as previous Clarifications issued by the FTA</p>	<p>Please select “Yes” to confirm that you have considered the tax laws, regulations and cabinet decisions applicable to the subject of this clarification, as well as previous clarifications issued by the FTA.</p>
<p>I agree to provide additional information which may be requested by the FTA after reviewing this Clarification claim</p>	<p>Please select “Yes” to confirm that you agree to provide additional information which may be requested by the FTA after reviewing your Clarification request.</p>



6. Response from the FTA to your Clarification request

In most cases, it will take the FTA up to **45 business days** to issue a Clarification. If your application is incomplete, or additional information is required, the FTA will ask you to provide additional information or documentation. After providing the additional information or documentation, the **45 business days** to issue a Clarification will be calculated from the date the complete and/or additional information is received. Kindly note that requests submitted after 3pm, on a weekend, or on a federal public holiday will be regarded as being received on the following business day.

Furthermore, if your case is relatively complex (e.g., if the FTA is required to refer to other entities such as the Ministry of Finance), the FTA may **extend the abovementioned time limit**. In such case, you will be notified of the extension.

You will receive the Clarification by e-mail sent to the authorized person within **5 business days** from the date of issuance.

The answer provided by the FTA is based on the facts provided by you in the Clarification request submitted, additional information provided in response to an information request, and the applicable legislation at the time the Clarification is issued. It is the applicant's responsibility to stay up to date with any changes in legislation or the views of the FTA as evidenced by its official publications.

Please note that the Clarification issued by the FTA is of a confidential nature, and should not be shared with, or used by any third parties.



7. Objection

The FTA considers itself administratively bound to follow the position set out in the Clarification, where the factual circumstances are materially the same as set out in the clarification form.

Please note that Clarifications are not considered to be “official decisions” issued by the FTA, but rather the FTA’s view on the application of the effective legislation based on and for a specific set of facts.

Consequently, Clarifications are not subject to the dispute resolution process and Applicants may not apply for a reconsideration in respect thereof.



8. Updates and amendments

Date of amendment	Amendments made
December 2022	<ul style="list-style-type: none">• Revised the whole guide for simplification and amendment of content in light of recent updates.• Addition of section 7 to clarify that Clarifications do not constitute an official decision by the FTA and is, therefore, not subject to the dispute resolution process.