

DAFZA extends The Economic Substance Regulations (ESR) Deadline to 31 May 2020

During April 2019, the UAE government released The Economic Substance Regulations (ESR). Under ESR UAE companies carrying out “Relevant Activities” (see list) must maintain a proper economic presence in the UAE. When applicable, companies carrying out Relevant Activities must submit an Economic Substance Report within twelve months following the fiscal year-end of the company. The report must be submitted to the Companies regulatory authority, which usually is the authority that issued the companies license. As of date the nature of the actual Economic Substance Reports is still unknown.

The Dubai Airport Free Zone Authority (DAFZA)

The Dubai Airport Free Zone Authority (DAFZA) extended the deadline for filing the Notification from 3 May 2020 to **31 May 2020**. The Notification must be submitted from DAFZAs [online customer portal](#).

What do you need to do?

We recommend that you carefully evaluate the Company's economic activities to determine ESR applicability and to ensure ongoing compliance with the Regulations. The evaluation should include an assessment of the substance-over-form test to adequately file the Notification or annual reports (if applicable) on time.

How we can help

RSM employs a team of talented and experienced tax specialists that can

- Assist you in carrying out the ESR Assessment;
- Preparing/reviewing the Notification, and/or
- Preparing/reviewing the ESR report

Relevant Activities:

- Banking Business
- Insurance Business
- Investment Fund management Business
- Lease - Finance Business
- Headquarters Business
- Shipping Business
- Holding Company Business
- Intellectual property Business (“IP”)
- Distribution and Service Centre Business



Contact us

For further assistance please contact our Tax Consultant – Mr. Shahim Mukadam, at shahimm@rsm.ae

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