



Driving Global Leadership in Taxation Through Accelerated Digital Transformation

ANNUAL REPORT

2024



“ We will continue building a leading global economy, to enhance our competitiveness, and to achieve the highest global rankings

”

**President His Highness
Sheikh Mohamed bin Zayed Al Nahyan**



“ Our aim is to place the UAE at the forefront of global economies, with a strong digital structure, secure systems, flexible legislative framework and future thinking ”

His Highness Sheikh Mohammed bin Rashid Al Maktoum
Vice President and Prime Minister of the UAE and Ruler of Dubai



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Driving Global Competitiveness in Taxation

Guided by the insightful vision of our wise leadership, the UAE continues to solidify its position as a global hub for entrepreneurship and digital economy. It stands as a model in diversifying income sources through innovation, upholding the highest standards of financial sustainability, and prioritizing the development of future-oriented sectors, ensuring economic resilience and balance in response to local, regional, and global shifts.

Driven by these efforts, the UAE recorded a significant surge in performance in the **2024** Global Competitiveness Reports. The country ranked first globally in **223** indicators, up from **215** in **2023**. It also secured a position among the world's top five in **444** indicators, compared to **406** the previous year, and ranked among the top **10** globally across **661** indicators, up from **604**. These advancements reflect strong performance across key sectors such as finance, investment, and digital infrastructure.

A major step in advancing the UAE's competitive edge was the Cabinet's approval



to establish the UAE Entrepreneurship Council. The Council brings together key stakeholders, including the Federal Tax Authority (FTA). The Council aims to align national efforts and initiatives to support SMEs, while also proposing incentives and benefits for entrepreneurs, startups, and innovative businesses.

The FTA places strong emphasis on supporting and encouraging businesses to meet their tax obligations through streamlined and transparent procedures. Particular attention is given to small and medium-sized enterprises, with a range of innovative initiatives launched specifically to address the needs of this vital sector.

The Authority remains committed to advancing the tax sector and enhancing the quality of services offered to all taxpayer segments, reinforcing its role in driving sustainable national economic development and strengthening the country's global competitiveness in the field of taxation.

H.H. Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum

First Deputy Ruler of Dubai

Deputy Prime Minister

Minister of Finance

and Chairman of the Board of Directors of the Federal Tax Authority (FTA)



Zero Bureaucracy... Proactive Services

For over six years, the Federal Tax Authority (FTA) has remained committed to implementing continuous development plans across its systems and services. These efforts align with the government's overarching strategy to enhance ease of living, adopt highly efficient and streamlined operational models based on the principle of zero bureaucracy, and deliver a forward-looking generation of proactive services, reinforcing the UAE's vision of providing the world's leading government services.

Since its establishment, the Federal Tax Authority (FTA) has adopted a fully electronic tax system, allowing all tax-related procedures to be completed without the need for in-person or paper-based interactions with internal departments. Building on this foundation, the Authority has intensified its efforts to modernize its systems and services in line with international best practices. In support of the broader digital transformation agenda, these efforts reflect the Authority's ongoing commitment to achieving excellence and leadership in tax administration, both regionally and globally.

The year **2024** witnessed many qualitative achievements with continued legislative, procedural and technical developments within

our policies aimed at encouraging creativity and innovation, based on a clear understanding of the needs of all categories of customers and striving to meet their expectations. A large number of bureaucratic streamlining operations were implemented in tax services, with the Authority aiming to achieve **70** bureaucracy-free processes across its services. Efforts also continued to ensure the smooth implementation of the Corporate Tax Law, with large numbers of corporate taxpayers registering through the "EmaraTax" Service digital tax platform.

Several new initiatives and services have also been launched, including the introduction of "Maskan," a digital application for refunding VAT to UAE nationals constructing new residences; the development of the "EmaraTax" smart application; and the launch of the world's first system for refunding VAT to tourists on e-commerce purchases made during their stay in the country.

While our achievements are a source of pride and optimism, we remain fully aware that continued efforts are required to advance our development and modernization plans, and to further enhance the services and facilities provided to our customers.

H.E. Khalid Ali Al Bustani

Director General of the Federal Tax Authority (FTA)

Highlights

From Establishment to Sustainability: The Evolution of Tax Administration

الهيئة الاتحادية للضرائب
FEDERAL TAX AUTHORITY



The Federal Tax Authority (FTA) was established under Federal Decree-Law No. **(13)** of **2016** as an independent federal entity with full legal personality. It operates under the oversight of a Board of Directors chaired by His Highness, the Minister of Finance. The FTA plays a pivotal role in diversifying sustainable government revenue sources and contributes to the creation of a healthier and more secure society by reducing the consumption of products harmful to public health and the environment.

The FTA is headquartered in the Emirate of Abu Dhabi, with an additional branch in the Emirate of Dubai. It is responsible for managing, collecting, and enforcing federal taxes, distributing tax revenues, and

implementing tax procedures in line with leading institutional standards. These efforts aim to promote voluntary compliance and support taxpayers in fulfilling their obligations through a streamlined self-compliance model.

Transparency is a core principle of the UAE tax system. Since its establishment, the FTA has remained committed to safeguarding taxpayers' rights and ensuring the fair and consistent application of tax legislation. To this end, it has implemented multiple mechanisms that promote procedural fairness, thereby supporting the UAE's investment attractiveness and reinforcing the country's global competitiveness.

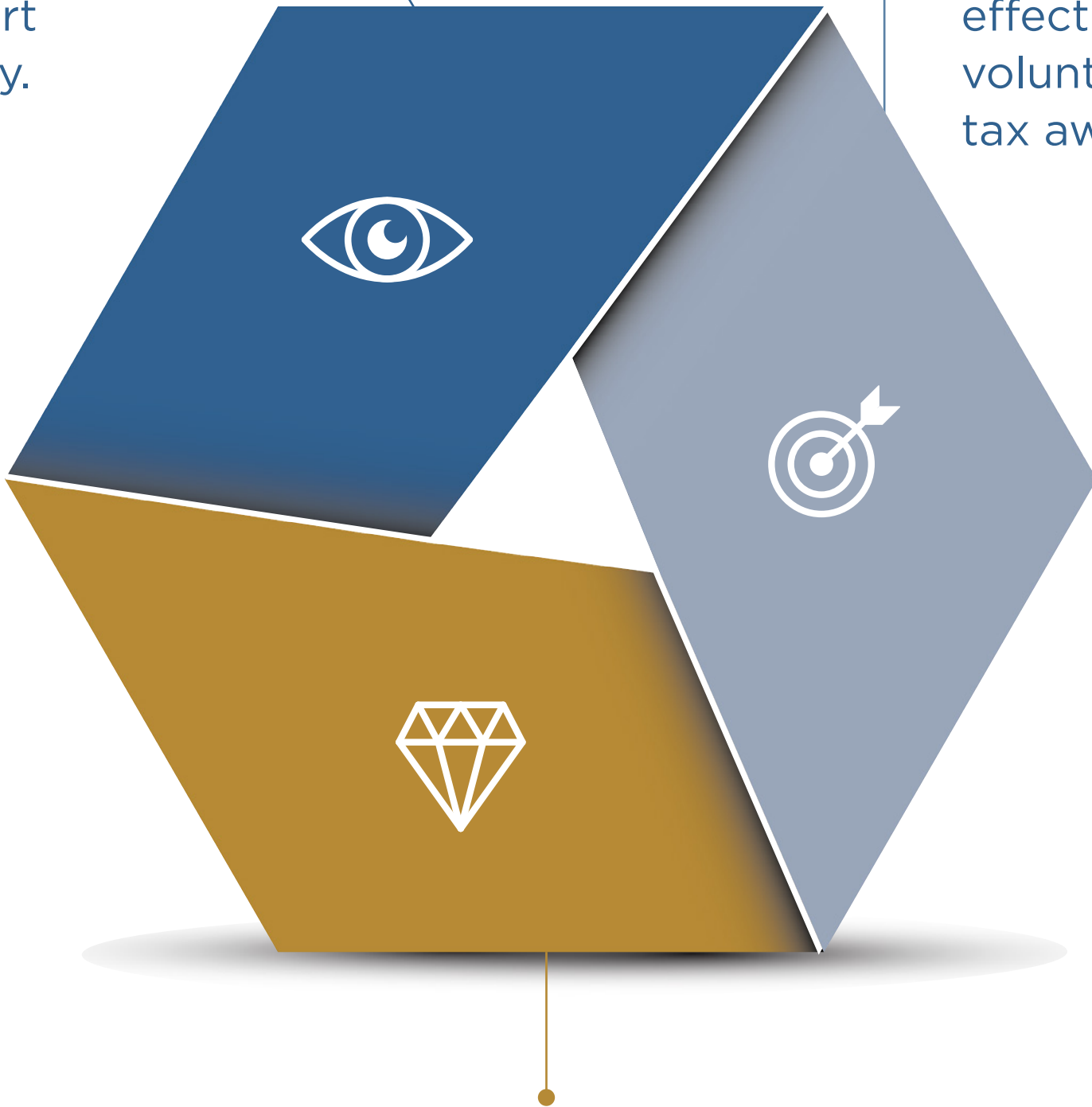


Vision

A world-leading tax authority in collecting tax revenues and instilling a culture of voluntary compliance to support financial sustainability.

Mission

Administering, collecting and enforcing federal taxes, applying tax procedures efficiently and effectively, and increasing voluntary compliance and tax awareness.



Core Values



Integrity
Do what is right without fear or favor in all circumstances.



Trust
Promote firm belief in the reliability of services offered amongst taxpayers.



Confidentiality
Keeping taxpayer's data confidential.



Proactivity
Taking the initiative to adopt newer ways of working in an agile manner.



Team Spirit
We work as a team to provide the best services and accomplish tasks and business.

The Objectives and Enablers



Strategic Objectives

- Improving the efficiency of the tax system and easing the payment of taxes in the UAE.
- Enhancing tax compliance and mitigating tax evasion.



Main Objectives

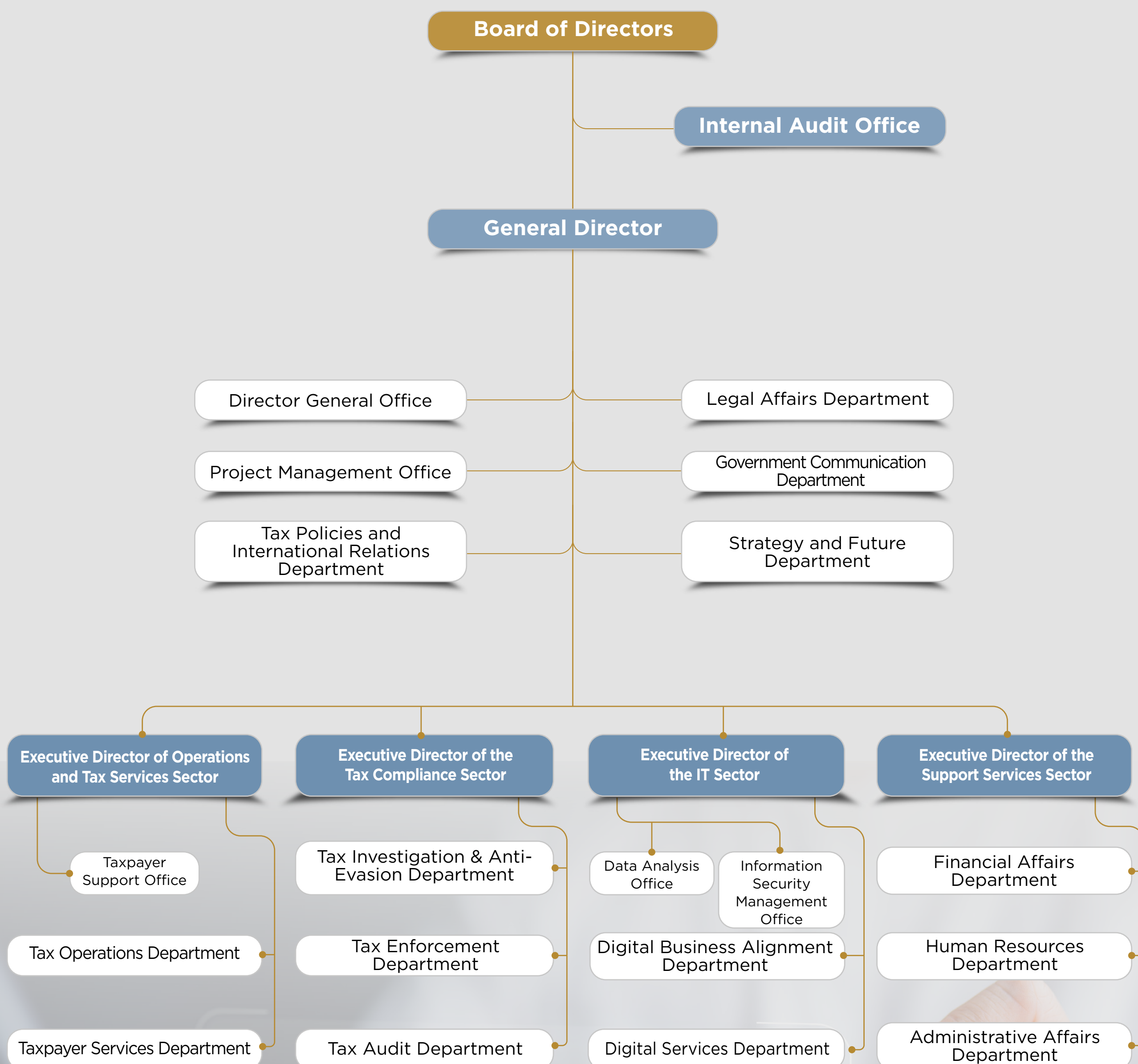
- Develop and implement efficient tax policies and tax procedures.
- Develop a tax system for taxpayer registration, tax return filing, payments, and refunds based on a pre-emptive and flexible manner.
- Ensure that audit, collection, and tax enforcement programs are implemented efficiently and in accordance with the risk drivers.



Enabler Objectives

- Attracting and empowering the best talents and providing efficient and effective services built on digital infrastructure.
- Enhancing innovative practices based on agility, proactivity and readiness within the work environment.

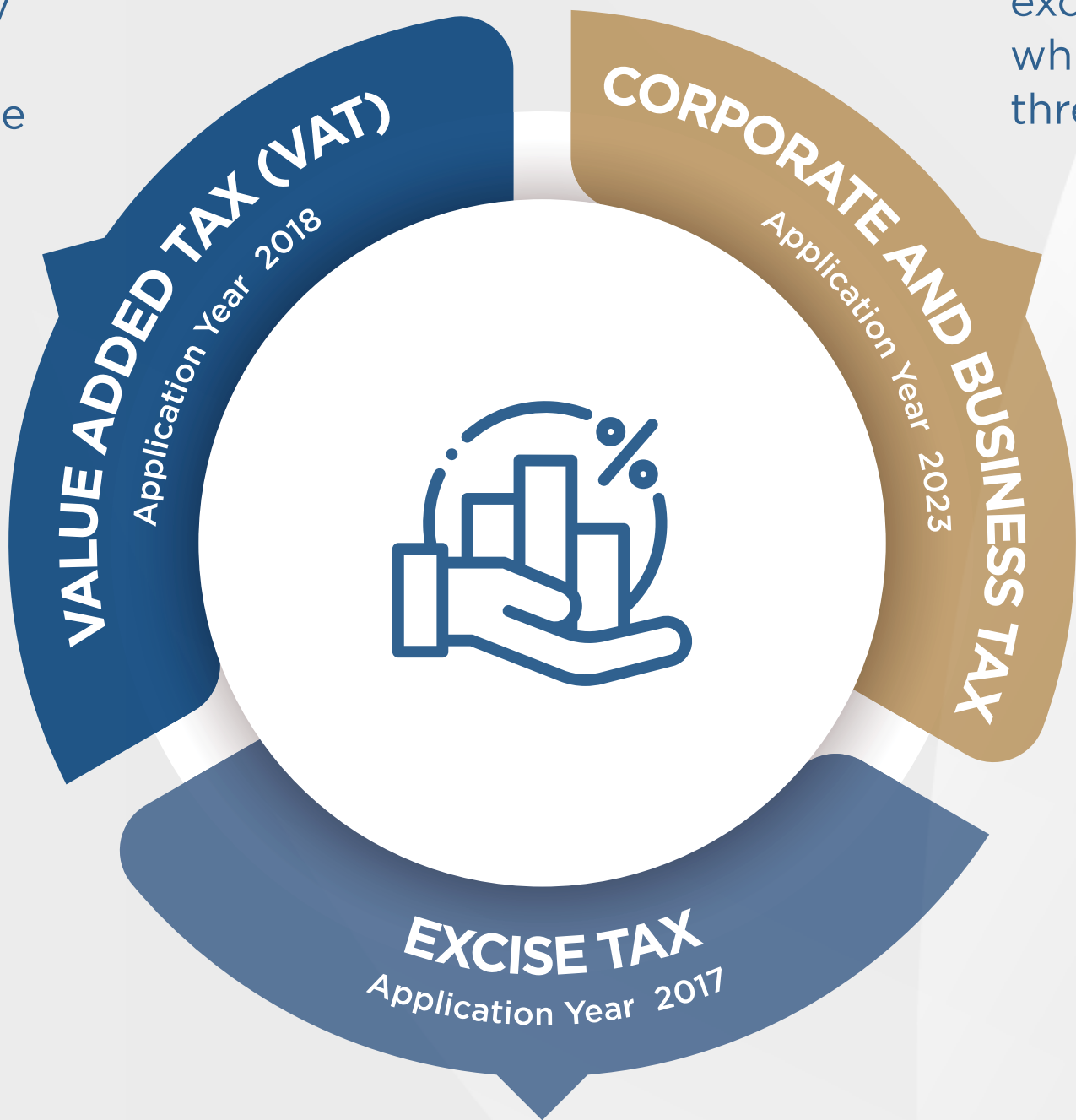
Organizational Structure



Overview of Applicable Taxes in the UAE

A **5%** consumption tax levied at each stage of the supply chain. While it is collected incrementally by businesses, the final economic burden is borne by the end consumer.

A tax levied at a rate of **9%** on taxable income exceeding AED **375,000**, while income below this threshold is taxed at **0%**.



A form of indirect tax levied on specific goods which are typically harmful to human health or the environment.

- 50%** on carbonated drinks.
- 100%** on tobacco products.
- 100%** on energy drinks.
- 50%** on any product with added sugar or other sweeteners.

Annual Achievements

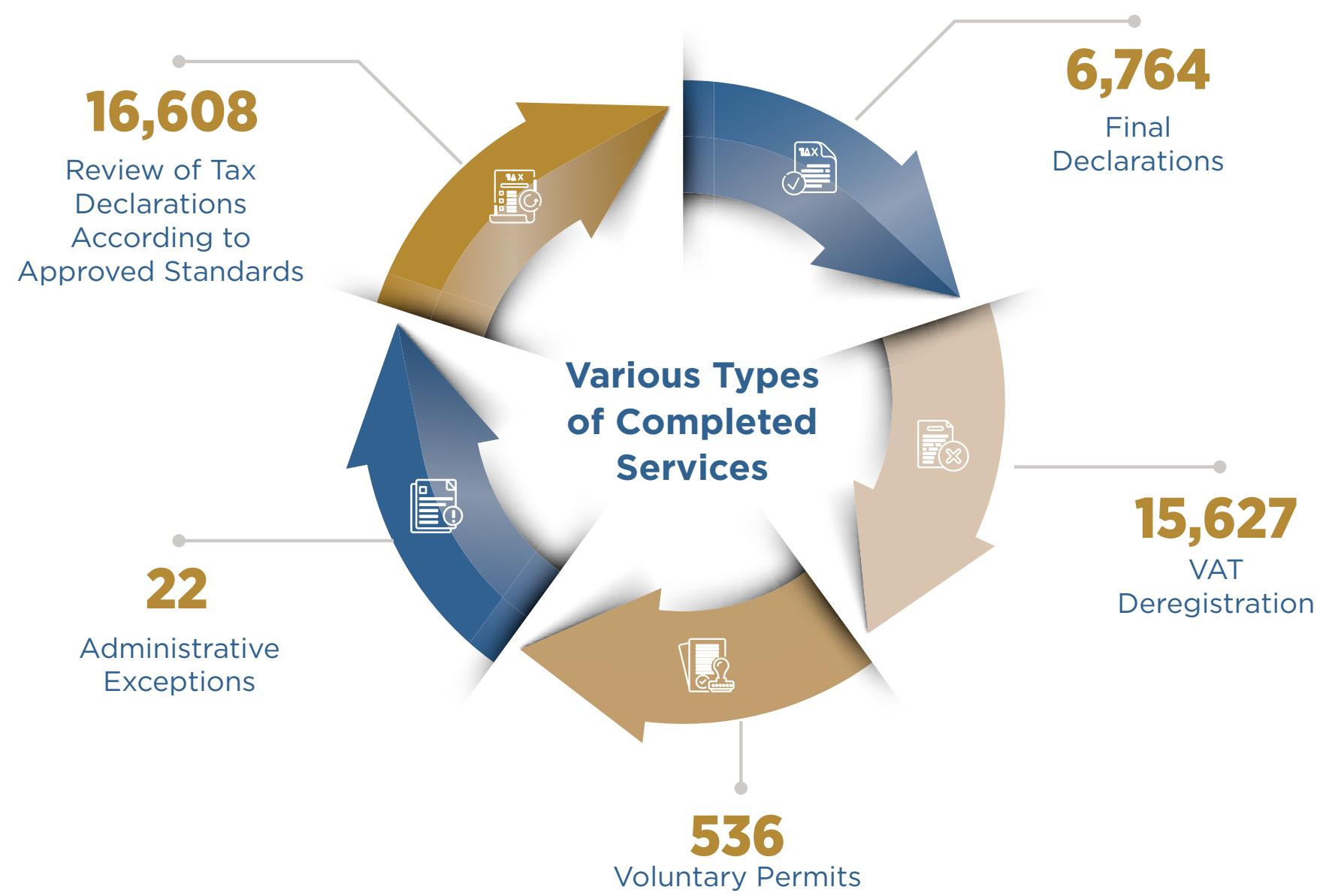
Continued Growth in Tax Operations

May Jun Jul Aug Sep Oct Nov Dec

In 2024, the Federal Tax Authority (FTA) recorded unprecedented growth in its operations. The number of registration transactions rose significantly, driven by a sharp increase in corporate tax registrations, continued growth in VAT and excise tax registrants, and the expansion of the Authority’s service offerings. This growth contributed to a higher volume of completed transactions across all sectors. At the same time, the FTA enhanced customer engagement through its innovative digital channels.

Tax Matters

- The number of transactions completed by the Tax Registration Department reached a record high in **2024**, with approximately **1.5 million** transactions reviewed, nearly triple the **515,000** recorded in **2023**.
- The number of completed corporate tax registration applications reached a record high of approximately **444,000** in **2024**, compared to around **50,000** in **2023**, the year in which the Corporate Tax Law came into effect. This represents a **795%** increase.
- In **2024**, the number of completed applications for Value Added Tax (VAT) registration reached approximately **79,400**, an increase of **10%** compared to the **71,900** applications recorded in **2023**.
- The number of completed requests to amend Value Added Tax (VAT) records rose sharply to **276,000** in **2024**, compared to approximately **24,000** in **2023**, marking a substantial increase of **1,070%**.
- The number of completed tax group registration requests reached **684** in **2024**, compared to **639** in **2023**, reflecting a **7%** annual increase.
- A total of **1,401** requests to amend tax group registrations were completed, compared to **1,216** in **2023**, reflecting a **15%** increase. Additionally, more than **4,000** tax groups were reviewed to determine their eligibility for registration under the applicable conditions, and **5,991** notifications were issued.



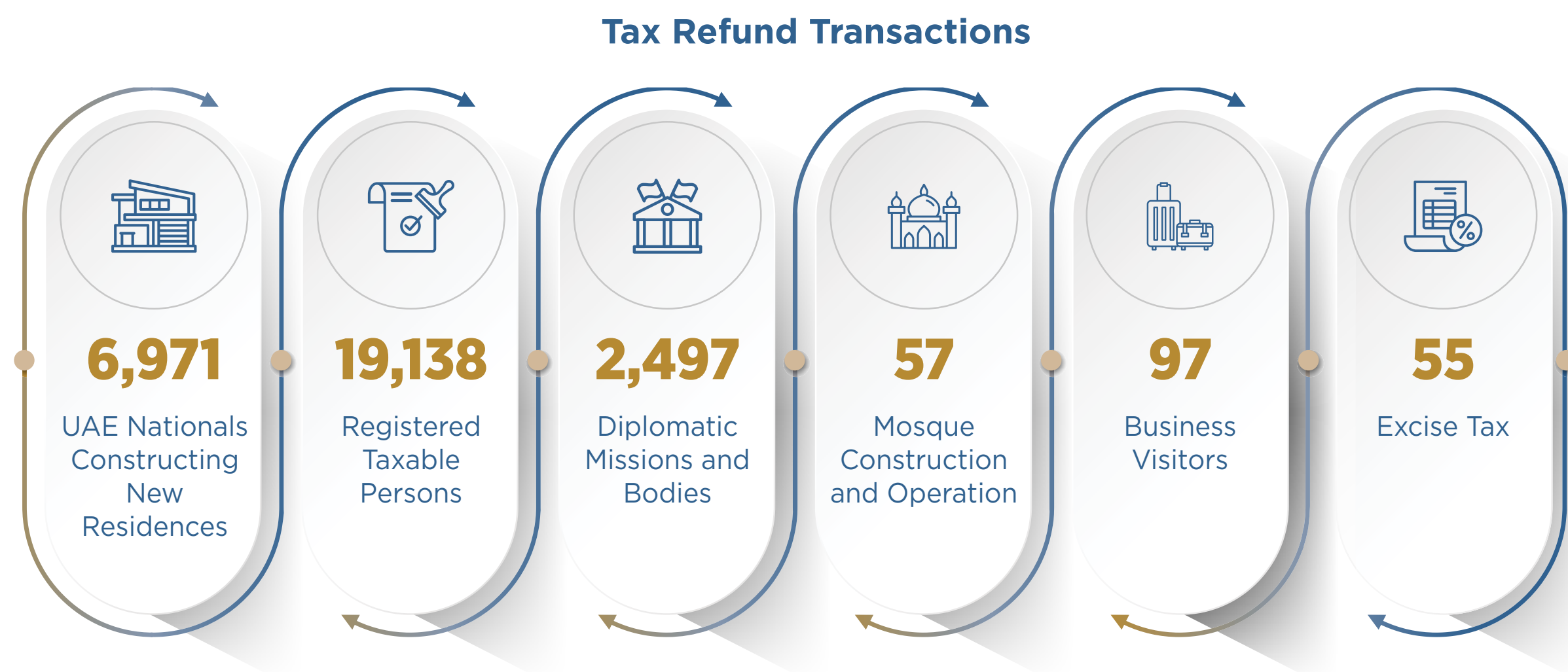
- A total of **829** tax agency registration applications were completed in **2024**, marking an **87%** increase compared to **444** applications in **2023**.
- A total of **116** tax agent registration applications were completed in **2024**, compared to **110** in the previous year, representing an increase of **5%**.
- A total of **229** excise tax registration applications were completed in **2024**, compared to **298** in the previous year, reflecting a **23%** decrease.
- A total of **8,700** products were registered as excise goods in the FTA's database, compared to **10,200** in **2023**, reflecting a **15%** decrease. These goods undergo periodic review and are adjusted as necessary in line with the approved policy for reviewing the excise goods price list.
- A total of **41** new designated areas were registered, an increase from **35** in the previous year. In addition, **149** renewal applications for designated area registrations related to excise tax were approved, compared to **118** in the previous year.
- A total of **31** warehouse keepers were registered, compared to **19** in **2023**. Necessary measures were taken to ensure that the stock of excisable goods is accurately reflected in the FTA's records.
- **10** reports were developed within the **EmaraTax** system to support digital tax services, contributing to improved information accuracy and enhanced data-driven decision-making.
- Artificial intelligence was leveraged to improve the resubmission process across four key areas, resulting in a more streamlined and efficient registration experience. Additionally, more than **1,500** tax certificates were finalized using Robotic Process Automation (RPA) technology.
- The application review mechanism was enhanced to reduce resubmissions, improve service quality, and decrease turnaround time.
- In **2024**, a total of **8,900** registration certificates were issued, and **86** licenses were granted to exhibitions and conferences services suppliers, compared to **41** licenses in **2023**, which represents an increase of **110%**.
- To enhance the integrity of records and ensure tax compliance, the FTA has established a digital connection with the Department of Economic Development – Ajman and the Department of Economic Development – Ras Al Khaimah to facilitate seamless data exchange.
- A total of **307,000** invitations were issued under FTA's corporate tax awareness initiative, resulting in the submission of approximately **152,000** registration applications.
- FTA is collaborating with the Dubai Land Department to implement data integration procedures that enable the daily monitoring of property sales and support their inclusion in FTA's ongoing analytical processes.
- A total of **53,000** commercial real estate sales involving **200,000** sellers were reviewed, and **72%** of sellers who met the tax registration criteria were contacted.



Growth in Registration Transactions



- **19,138** approved VAT refund applications for registered taxable persons.
- A total of **6,971** applications submitted by UAE nationals to claim VAT refunds on newly constructed residences were approved.
- In total, **309** Tax Number Registration applications were approved under the Tourist VAT Refund Scheme. During the same period, **85** tax numbers were cancelled and **91** refund applications were submitted through e-commerce channels.
- More than **100,000** quick QR codes were deployed as part of the digital transformation of marketing materials and publications, with additional dissemination across retail stores registered in the system.
- **57** VAT refund applications for mosque construction and operation, **97** VAT refund applications for business visitors, and **55** excise tax refund applications were completed.
- **2,497** VAT refund applications submitted by diplomatic missions, diplomatic bodies, and international organizations were approved.

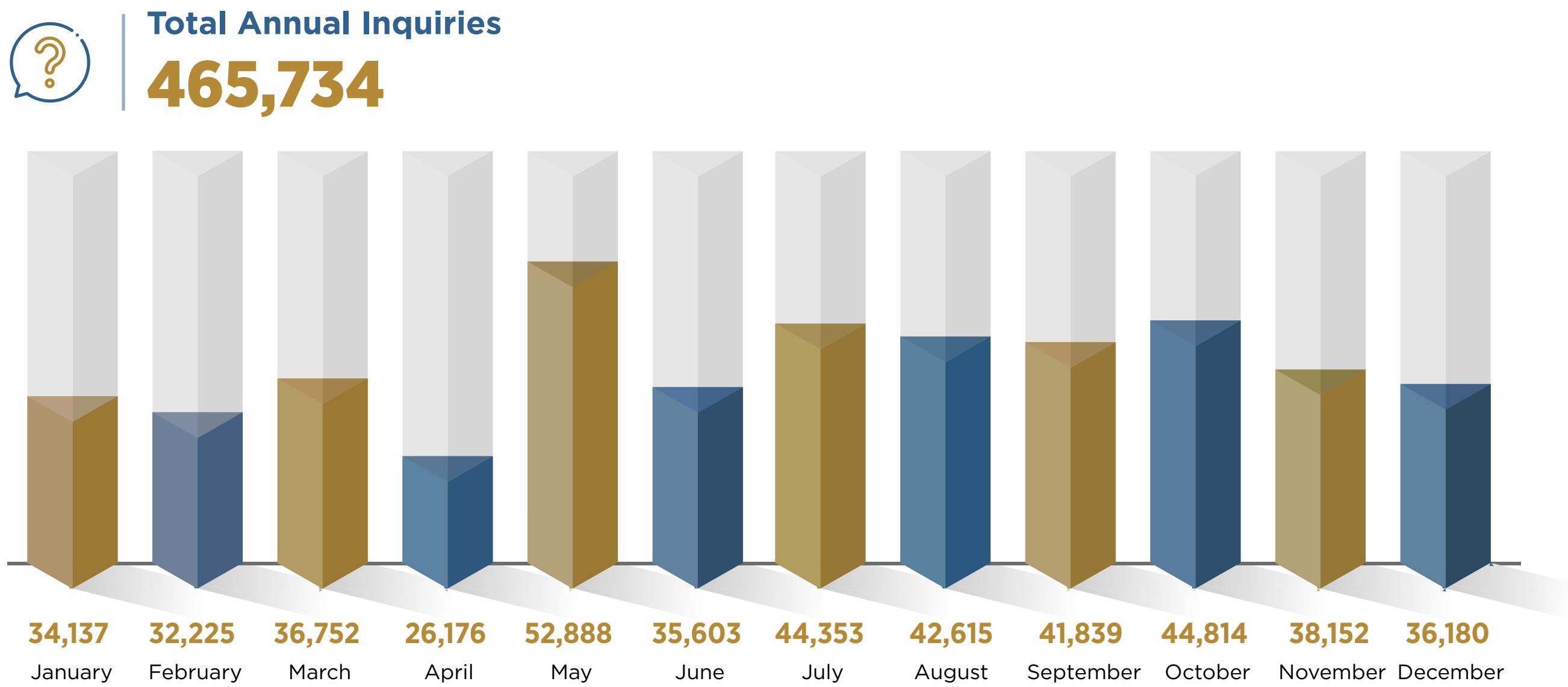


Public Engagement and Support Services

The FTA’s ongoing commitment to enhancing services and exceeding customer expectations has driven a notable rise in engagement across its tax support channels. In **2024**, the Authority received **549,200** inquiries and comments through all customer communication platforms, representing a **55%** increase compared to the **355,300** received in **2023**.

The transactions received in **2024** were distributed as follows: **465,700** inquiries, accounting for **84.81%** of the total; **79,100** complaints, representing **14.41%**; and **1,352** suggestions, making up **0.25%**.

Number of Inquiries Received Per Month



87% satisfaction rate was recorded in the customer happiness survey conducted via the ‘Customer Pulse’ platform, with participation from **184,790** users. This marks an improvement from the **80%** satisfaction level recorded the previous year.

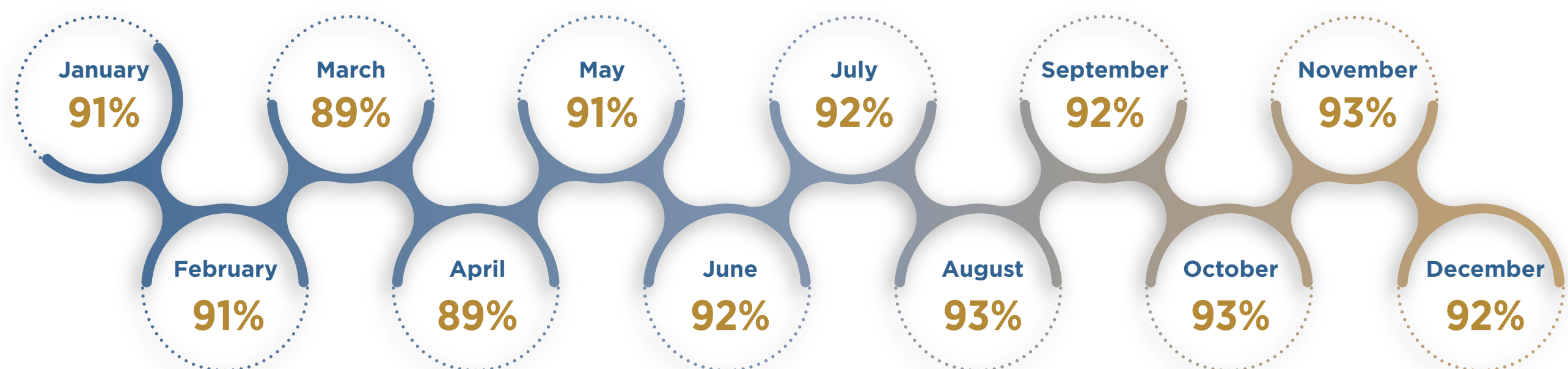
Customer satisfaction rose to **91.5%** in **2024**, reflecting a **1.5%** increase compared to the previous year. This result is based on customer feedback collected through an automated response system following telephone interactions, in response to the survey question: “How satisfied are you with the responsiveness and effectiveness of our staff when answering your calls?”.

Voice Survey-Based Customer Satisfaction Metrics – 2024



Customer Happiness Index – Annual Average

91.5%



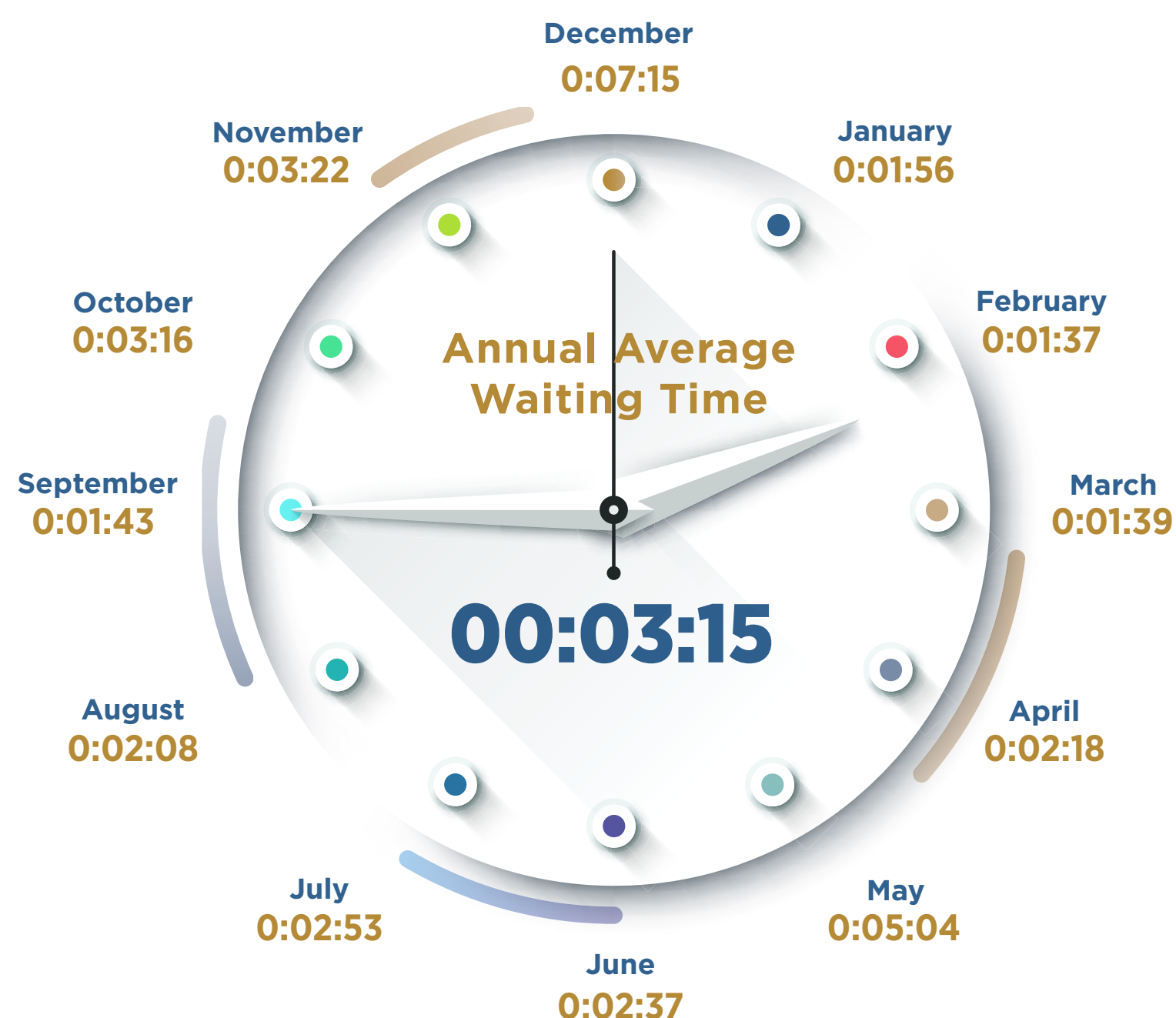
The Audio Survey is an automated questionnaire conducted through an interactive voice system following the conclusion of a phone call. It is intended to assess customer satisfaction with the service provided by call center agents, in order to support continuous improvement and enhance overall customer experience.



Survey Question: How satisfied are you with the responsiveness and effectiveness of our staff in handling your inquiry over the phone?



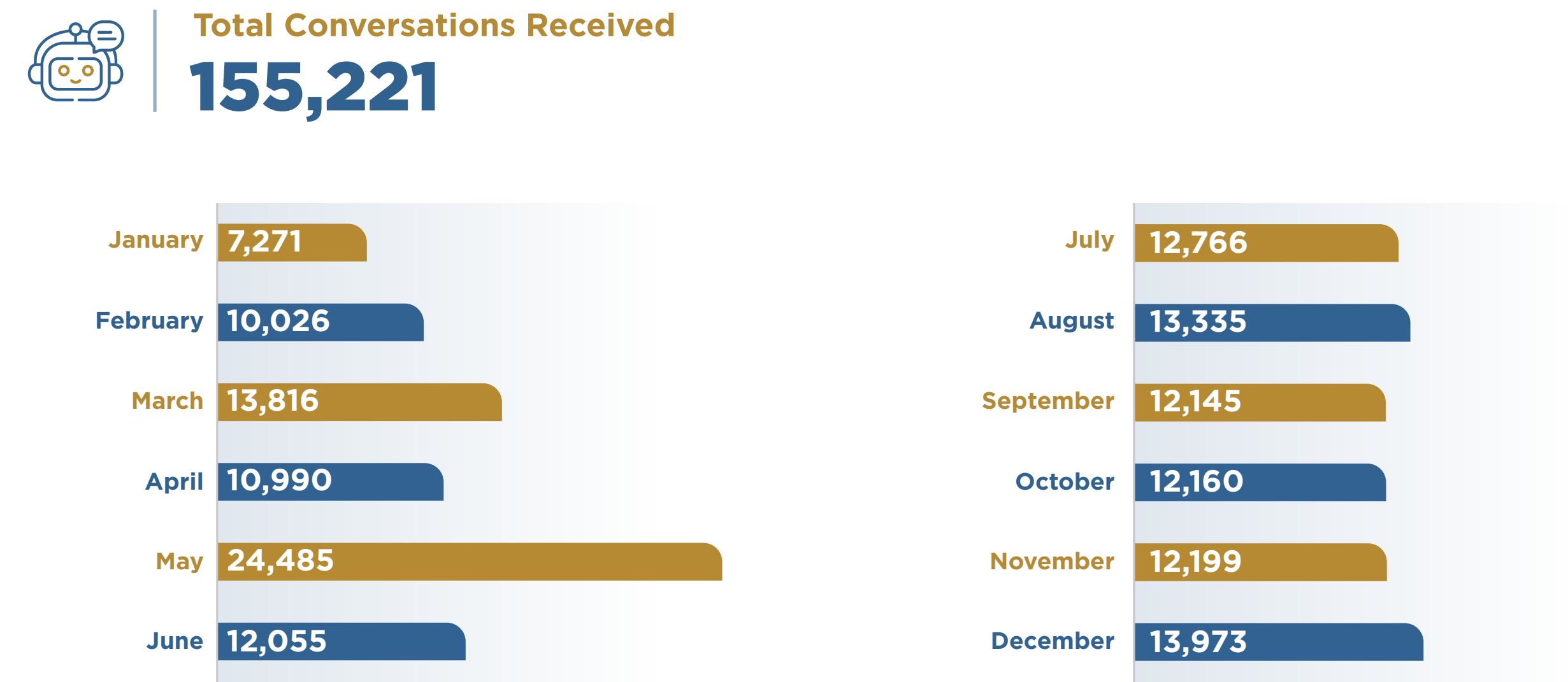
Average Waiting Time at Taxpayer Support Centers – 2024



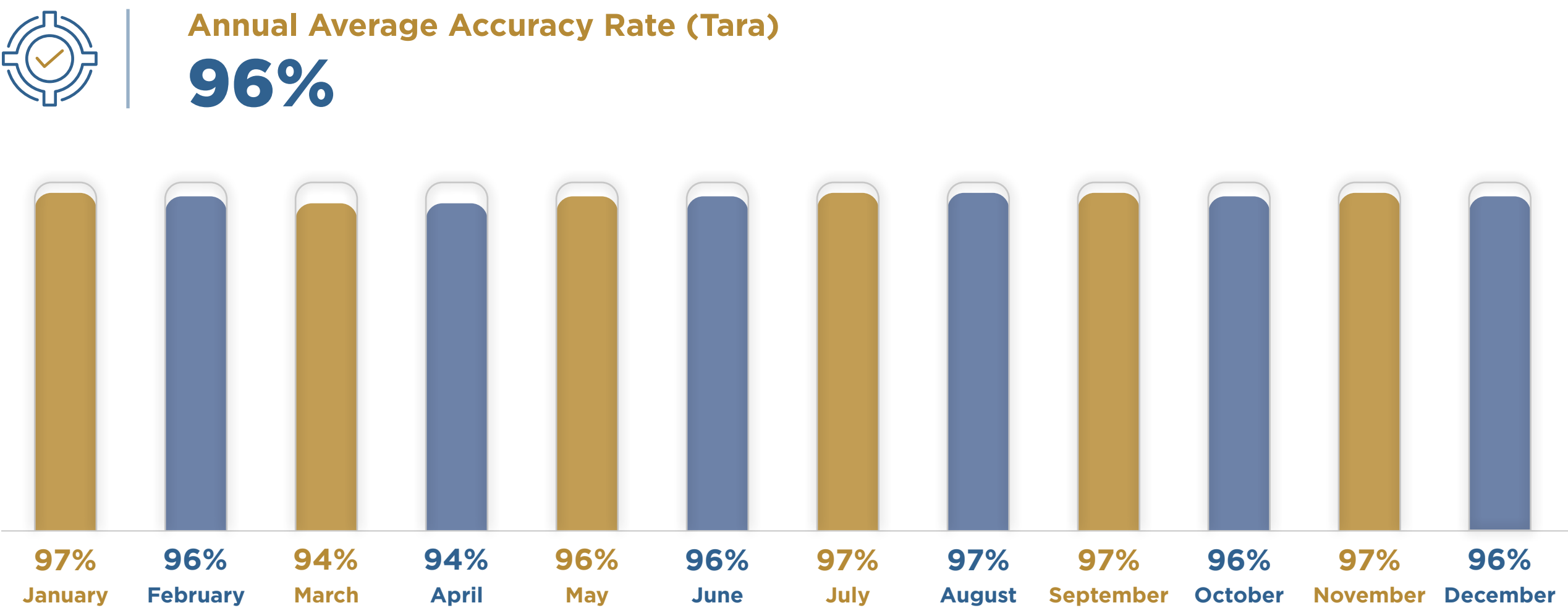
In **2024**, a total of **155,220** conversations were handled by the Tax Aware Robot Assistant – TARA, which provides responses to tax inquiries via the official website. These conversations resulted in **672,730** interactions, with an accuracy rate of **96%**. This marks a **59%** increase in the number of conversations compared to the **97,790** recorded in **2023**.

2024 KPIs for Tax Aware Robot Assistant – TARA

Number of Conversations Received Per Month – 2024



Response Accuracy Rates of the Robot Assistant (Tara)

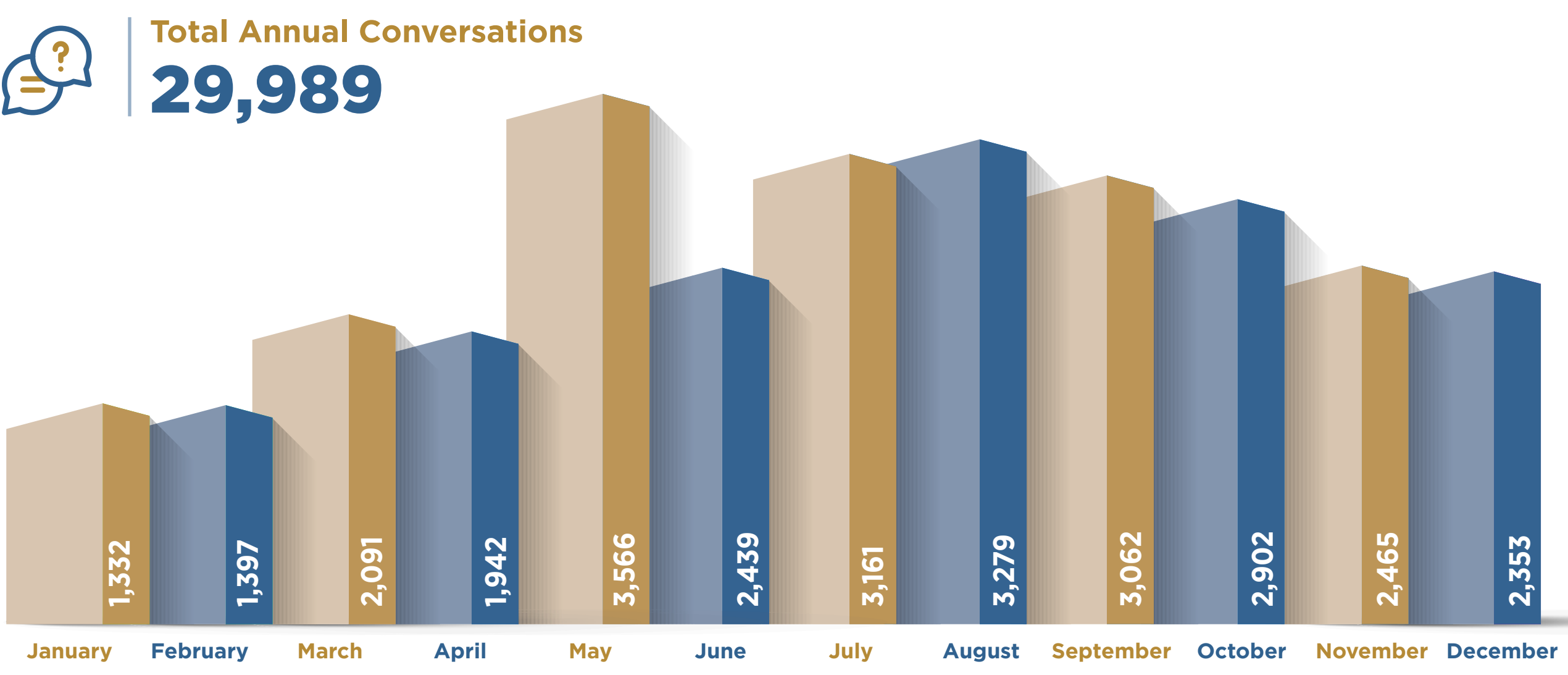




Approximately **30,000** conversations were received through the live chat service, reflecting a **109.4%** increase compared to the **14,330** recorded in the previous year.

Live Chat Service Indicators - 2024

Number of Conversations Received Per Month - 2024



The Muwafaq package, aimed at supporting small and medium-sized enterprises (SMEs) in meeting their tax compliance obligations, recorded **57,140** registrants in **2024**. The platform facilitated the booking of **116** interviews and saw the participation of **128** tax agents. In addition, **32,300** phone calls were made to registrants as part of the support services provided.

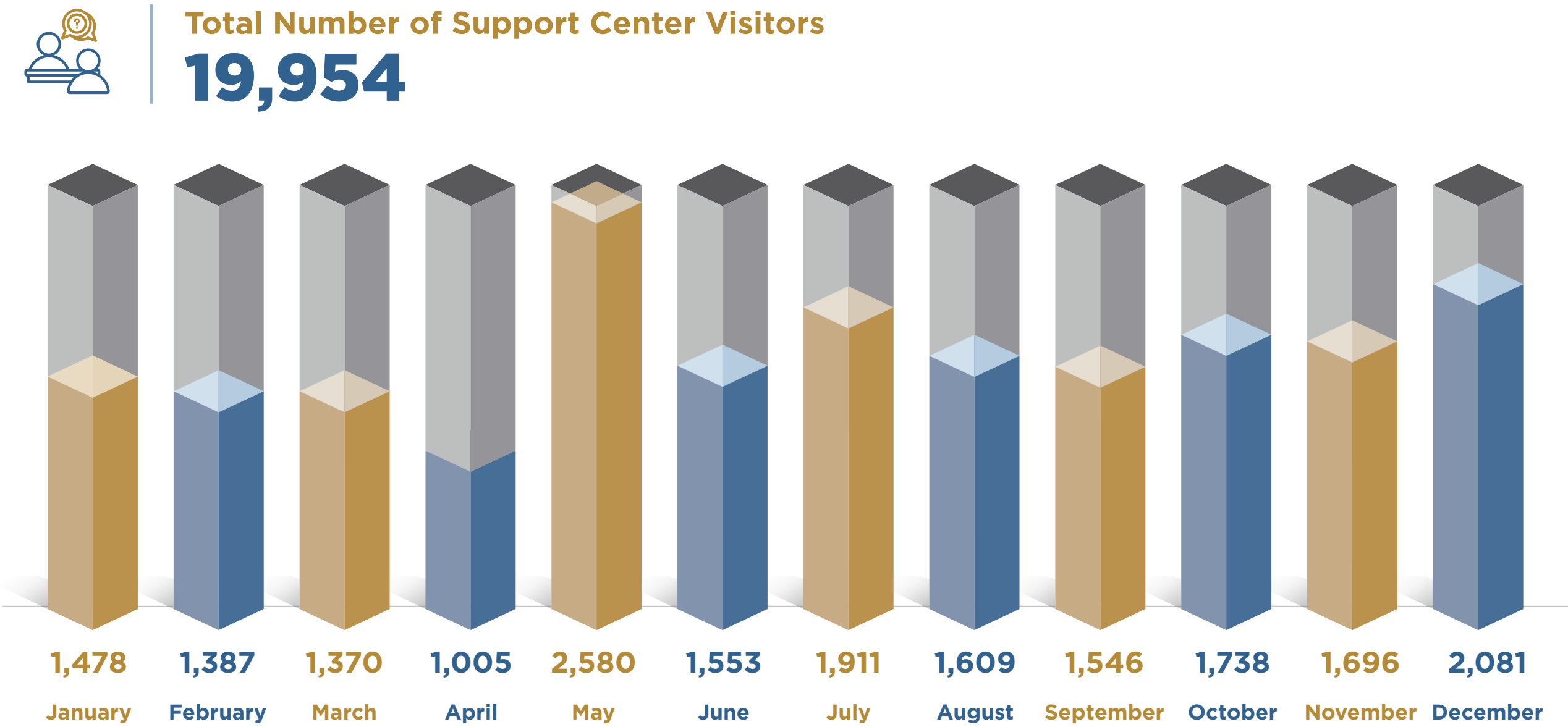


The number of visitors to the Taxpayer Support Centers in Abu Dhabi and Dubai reached **19,950**, marking a **10%** increase compared to the **18,160** visitors recorded in **2023**.

In **2024**, the small and medium-sized enterprises (SMEs) Division of the Taxpayer Services Department handled **29,300** inquiries, reflecting a **3.2%** increase compared to the previous year. In contrast, **855** inquiries were received from tax agents related to this sector, marking a **74.5%** decrease.

Taxpayer Support Center Metrics - 2024

Number of Support Center Visitors Per Month - 2024

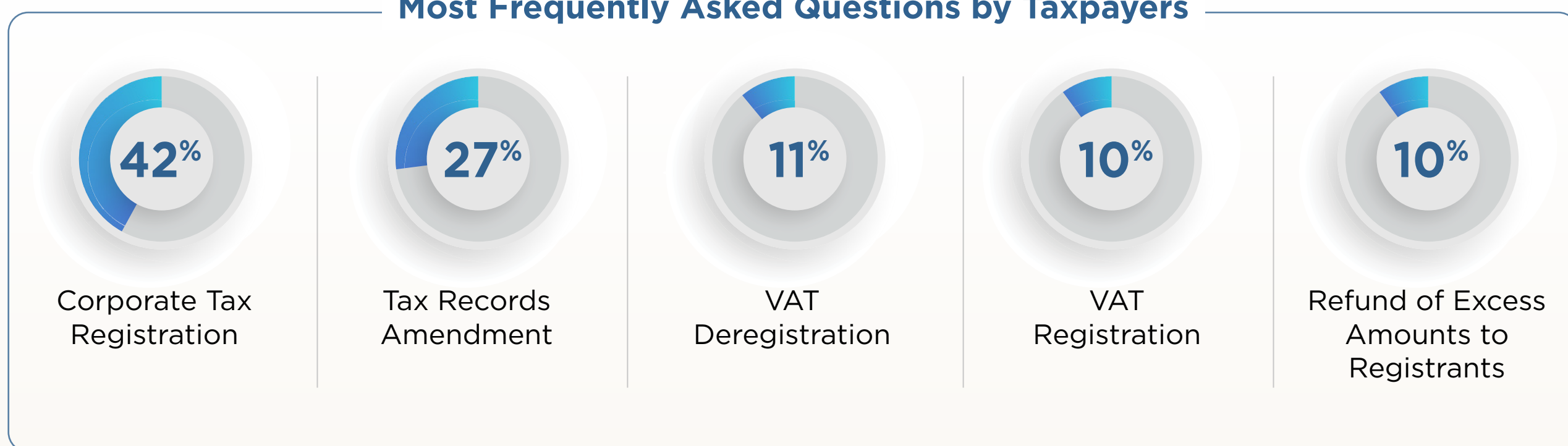


A total of **1,237** inquiries were processed under government sector services, **1,382** were related to excise tax, and **29** requests were handled in connection with customs registration services.



In **2024**, the Large Taxpayers Services Department responded to **7,150** inquiries and conducted **4,730** phone calls to ensure corporate tax registration among taxpayers in this sector. These efforts supported increased engagement and contributed to a rise in corporate tax registration rates during the year.

Most Frequently Asked Questions by Taxpayers

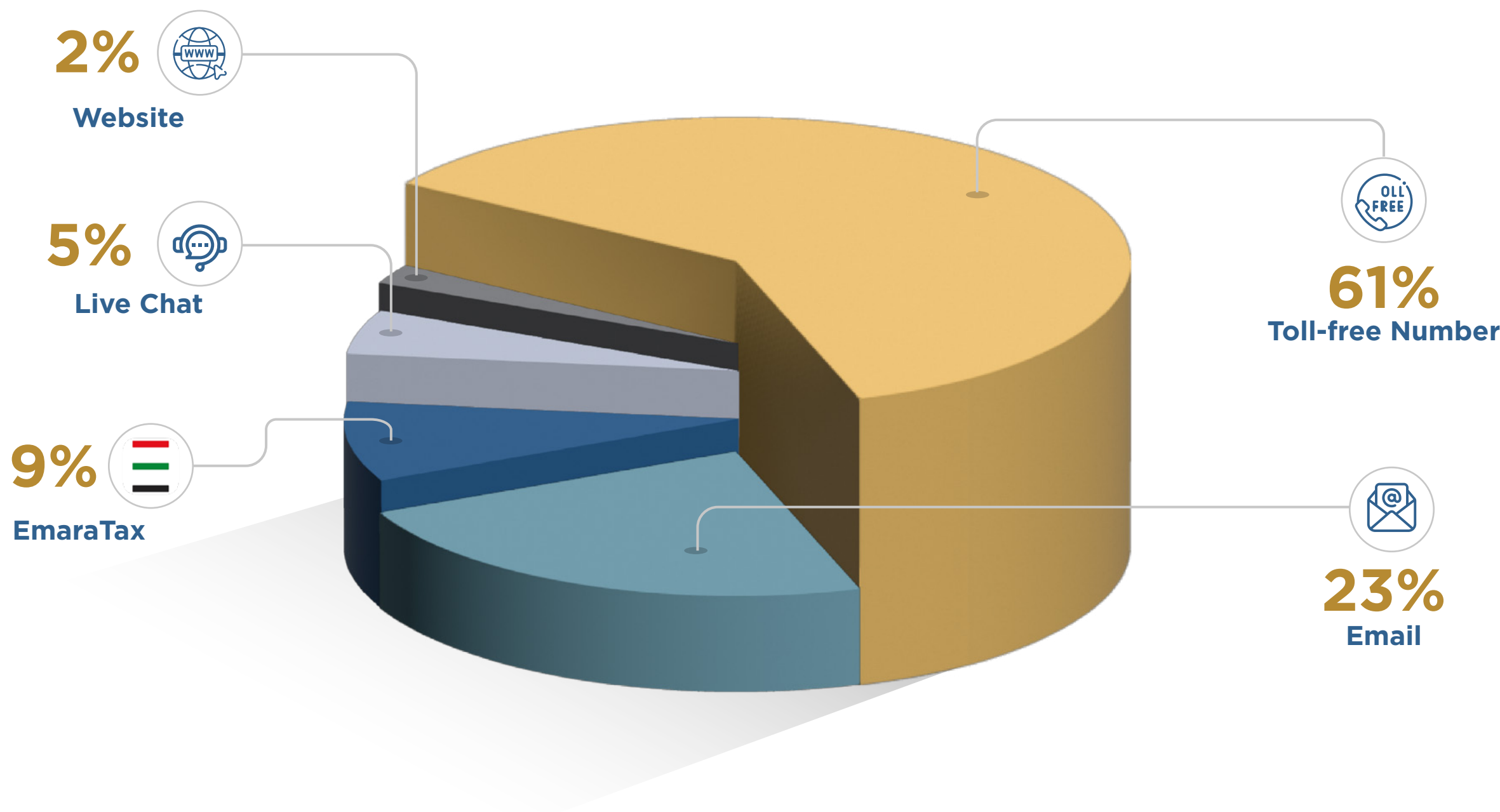


The competent committee approved **47** requests for outstanding administrative fines to be paid in instalments, amounting to AED **376.28 million**.

In total, **12,000** reconsideration requests were completed, reflecting a **27%** increase over the number processed in **2023**.

5,600 exemption requests were reviewed in **2024**.

Top Communication Channels Used for Inquiries



Flexible Legislation



Adaptive Legislative Structure

The FTA continued to implement its strategy to enhance and modernize the tax legislative framework, in line with the growing scope of its services and responsibilities. During the reporting period, several new policies were developed and put into effect, and a series of regulatory decisions were issued to support efficient, accurate, and high-quality tax administration. These efforts reflect the Authority’s commitment to transparency, good governance, and continuous improvement. Notable achievements in this area include:

718 decisions were issued by the FTA’s Board of Directors and Director General. In addition, **29** committees and working groups were formed or restructured as part of the FTA’s ongoing efforts to improve customer service and maintain high standards of operational and administrative performance, in line with principles of quality, efficiency, and transparency.

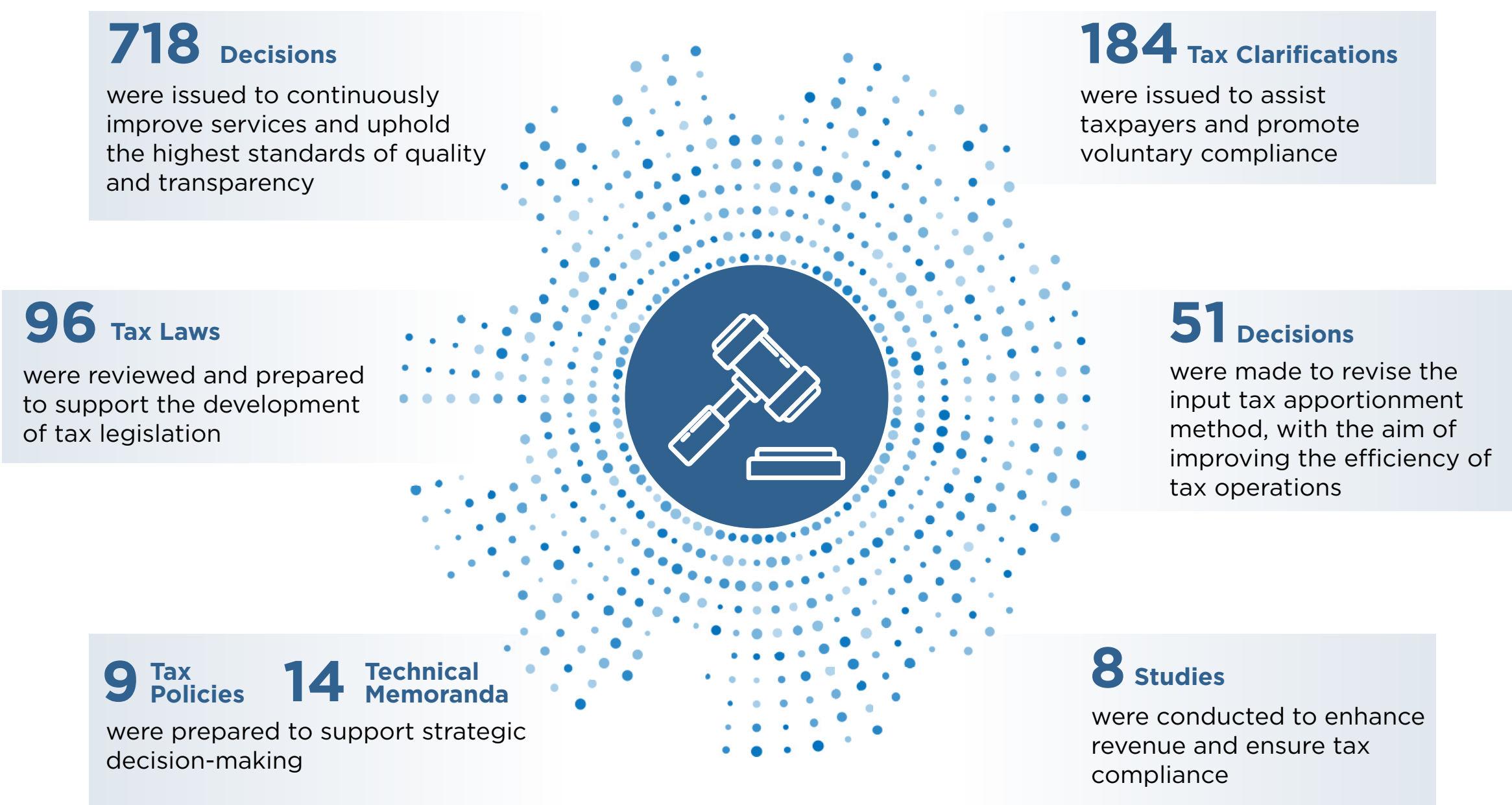
As part of ongoing efforts to develop the tax legislative structure, **96** tax laws were reviewed and prepared in **2024**, following the review and preparation of **171** tax laws in **2023**.

In **2024**, the FTA prepared **23** memoranda and policies, including **9** tax policies and **14** memoranda aimed at developing and updating legislation and providing technical input to support strategic decision-making.

8 studies on tax policies and legislation were conducted to support revenue growth and ensure tax compliance.

51 decisions were issued in response to requests for changes to the input tax apportionment method, contributing to greater transparency and improved efficiency in tax operations. In addition, **79** administrative exemption decisions were issued.

Continued Legislative Development in 2024



Tax legislations were updated to introduce a mandatory reverse charge mechanism on electronic devices, contributing to reduced tax evasion risks and enhanced compliance.

Excise tax mechanisms were updated through a phased approach that considers sugar content, aiming to encourage manufacturers to reduce sugar levels in their products and support public health.

Technical support was provided by reviewing **189** tax materials for FTA departments to improve compliance and enhance operational accuracy. In addition, **132** training materials were reviewed for internal and external capacity-building workshops, along with **26** materials prepared for various events, including seminars, workshops, meetings, and conferences.



A total of **184** new tax clarifications were issued, comprising **175** case-specific clarifications and **9** general clarifications, aimed at supporting taxpayers and fostering greater self-compliance.

As part of its commitment to promoting transparency and clarity in the tax system, the FTA launched the Taxpayer Charter, an official document that clearly defines the core rights and obligations of taxpayers in the UAE.

A total of **32** guides were prepared, updated, and published on the FTA's website to ensure the continued availability of clear and accessible information. These resources present tax legislation and procedures in a variety of formats and approaches, making them easy to understand and accessible to a broad range of stakeholders, regardless of cultural background. The content is regularly updated to reflect the latest developments.



Tax Compliance

Effective Oversight Anchored in Leading Standards

The FTA maintained its commitment to the effective enforcement of tax laws and procedures in accordance with international standards, alongside sustained efforts to address tax evasion. It strengthened its oversight role by conducting audits and ensuring that taxpayers met their obligations accurately and efficiently. The FTA also carried out inspection campaigns across markets nationwide, in cooperation with relevant entities, to protect consumer rights and improve tax compliance. These efforts led to positive results, including the detection of numerous violations and the collection of due tax revenues. The Authority also introduced various measures to promote a culture of compliance and uphold the highest standards of transparency and tax fairness.

On-Site Monitoring to Support Tax Compliance

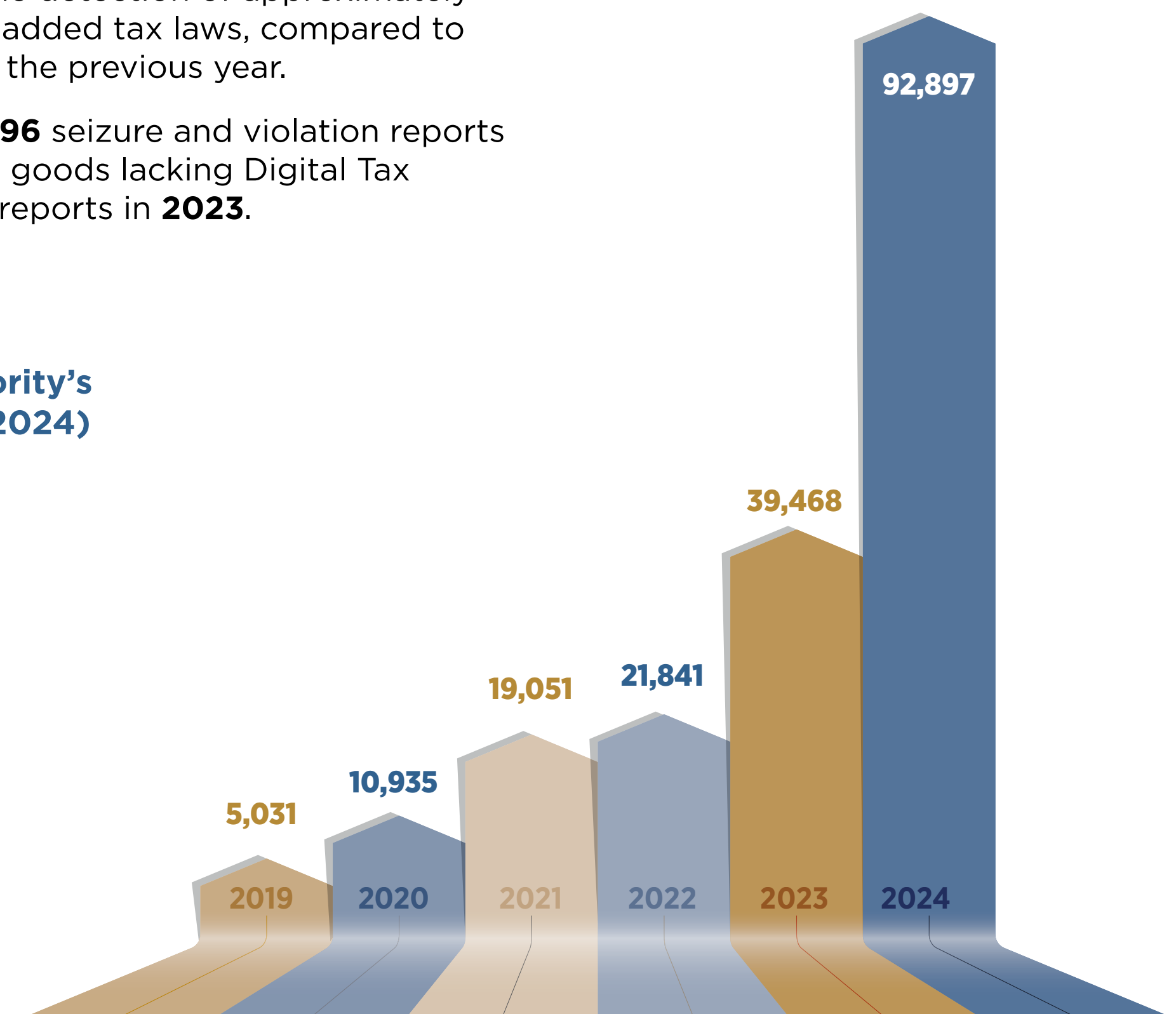
The FTA continued to implement its compliance monitoring plans in cooperation with relevant entities to protect consumer rights, combat tax evasion, and increase tax compliance. In **2024**, it conducted approximately **93,000** inspection visits across local markets in all emirates. This reflects significant growth of more than **135%** compared to the **40,000** visits conducted in **2023**.

The value of tax dues and related fines detected during inspection visits conducted by the Authority in **2024** amounted to AED **348 million**.

Monitoring efforts led to the detection of approximately **12,000** violations of value-added tax laws, compared to around **3,640** violations in the previous year.

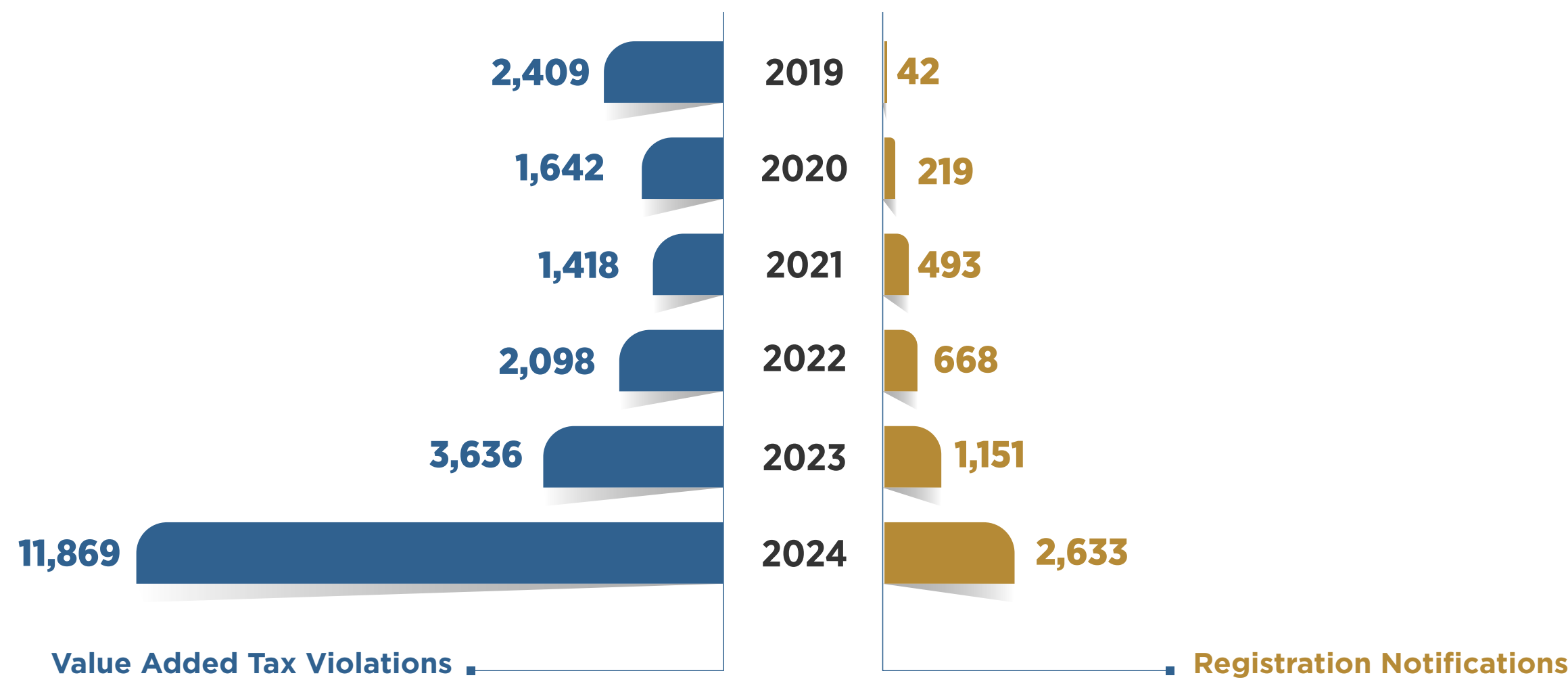
In **2024**, the FTA issued **1,196** seizure and violation reports concerning untaxed excise goods lacking Digital Tax Stamps, compared to **753** reports in **2023**.

Progression of the Authority's Inspection Visits (2019-2024)



A total of **2,633** registration notices were sent to non-compliant establishments which are not registered in the Value Added Tax system, compared to **1,151** notices issued in **2023**.

Results of Registration Notifications and Value Added Tax Violations



The FTA seized **11 million** packages of tobacco products that lacked Digital Tax Stamps and were not registered in its electronic system. This marks a decrease from approximately **21.3 million** packages seized in **2023**.

The FTA confiscated **3.9 million** illicit packages of other excise goods, including soft drinks, energy drinks, and sweetened beverages, compared to **2.5 million** packages seized in **2023**.

The implementation rate of the Annual Inspection Plan reached **147%** in **2024**.

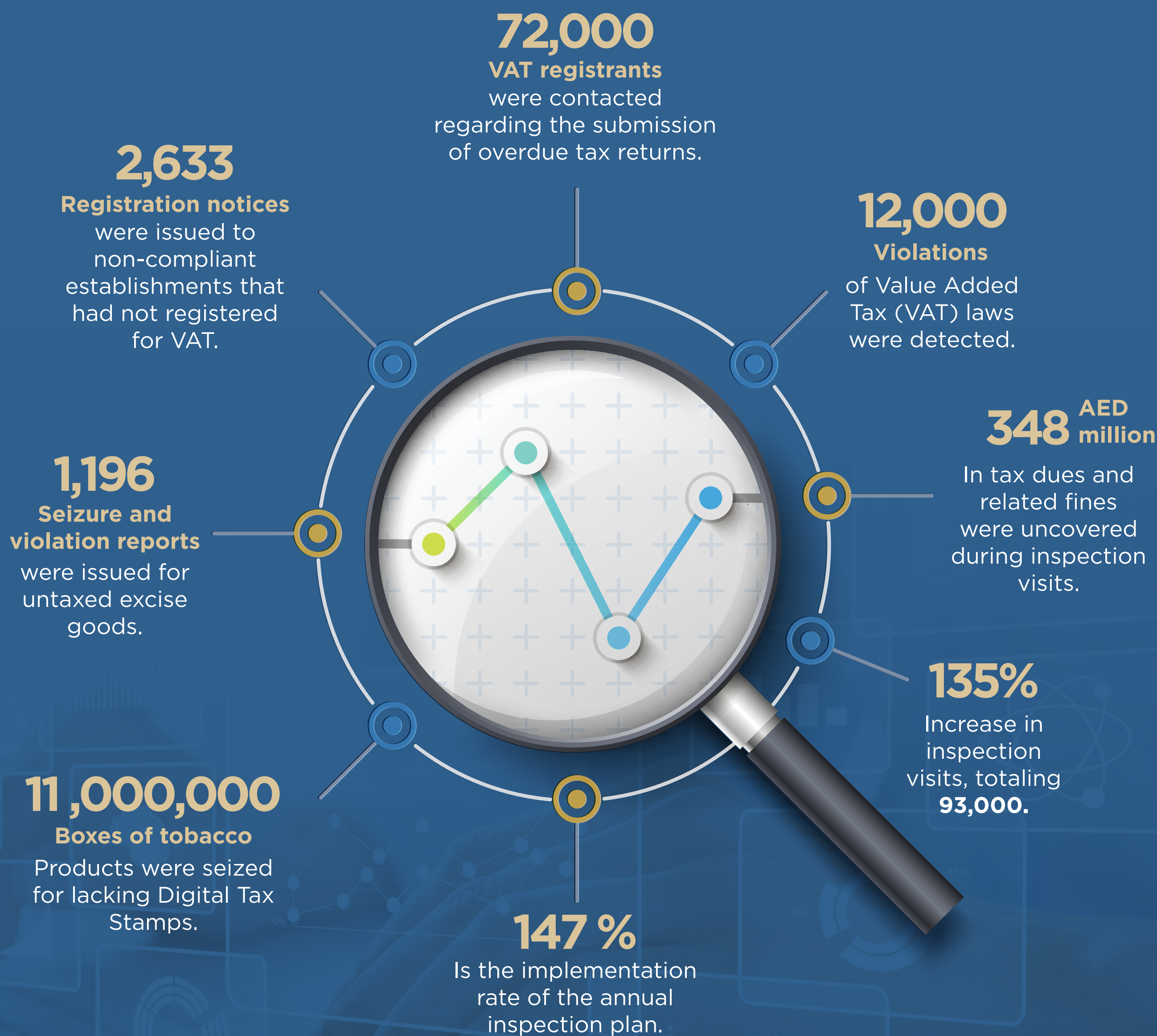
The Tax Enforcement Department achieved a **100%** response rate to reports received through Raqeeb, the FTA’s whistleblower programme that enables community members to report tax violations and evasion. Additionally, **722** reports submitted via Raqeeb were thoroughly investigated.

The Tax Inspection Division conducted **253** joint campaigns in collaboration with strategic partners.



- The FTA contacted **72,000** VAT registrants with overdue returns, totaling more than **131,000** tax returns. Support was provided through both in-person and virtual meetings to assist registrants in fulfilling their tax obligations.
- A total of **405** enforcement orders were issued against taxpayers who failed to settle their tax dues. Around **4.5 million** text messages were sent, reminding taxpayers to file their returns and pay outstanding amounts, while guiding them through the steps needed to meet their tax obligations.
- Legal action against tax evaders was supported through continued cooperation with state enforcement bodies and the Federal Prosecution for Tax Evasion.

Enhanced Regulatory Oversight for Greater Tax Compliance in 2024



Tax Audits and Anti-Evasion Measures

The FTA intensified its efforts through targeted audits and comprehensive compliance operations, covering a broad spectrum of taxpayers including large enterprises, SMEs, and individuals.

In **2024**, audits were conducted across **23** economic sectors, representing a **300%** increase compared to **2023**. These efforts uncovered tax discrepancies amounting to **AED 1.8 billion** in additional taxes.

These results underscore the vital role the tax compliance sector plays in promoting adherence to tax laws through advanced audit tools, data integration, and collaboration with relevant entities to ensure transparency and enhance efficiency.



The FTA has conducted several studies on taxpayer compliance across multiple sectors, in collaboration with government entities and private institutions. These studies have supported its efforts to advance data integration and enhance the accuracy of information.

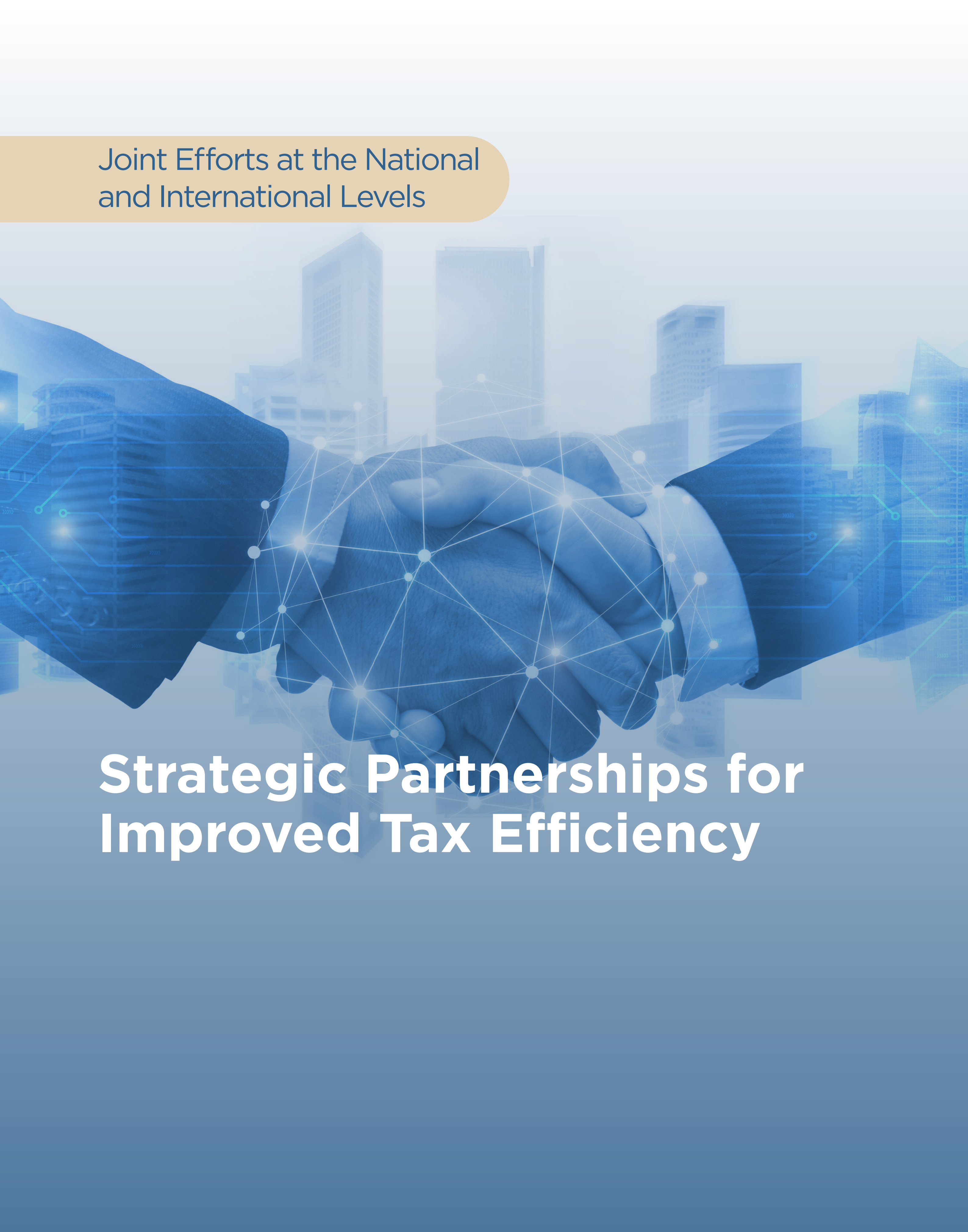
Joint cooperation agreements have been established with relevant entities, recognizing that engagement with external entities is essential to strengthening tax compliance. These efforts have contributed to improved data quality and verification, enhanced transparency, and greater system integration, thereby facilitating taxpayer registration and compliance while reducing opportunities for tax evasion.

Several projects have been implemented to address emerging sectors such as e-commerce, social media influencers, and real estate. These projects have strengthened tax compliance by intensifying oversight, identifying unregistered taxpayers, and improving data integration with relevant entities. They have also supported the development of more effective strategies tailored to the compliance needs of these rapidly growing sectors.

The FTA completed system integration with the Federal Prosecution for Tax Evasion. In addition, **287** tax evasion cases were referred to Public Prosecution in **2024**.

82% of tax assessment requests were completed.

Joint Efforts at the National
and International Levels



Strategic Partnerships for Improved Tax Efficiency

Partnership and integration have become central to the FTA's strategy for excellence and leadership. The Authority has strengthened its collaboration with public and private sector stakeholders, both locally and internationally, as part of its commitment to building a pioneering tax system.

The FTA held **858** meetings aimed at advancing the ongoing modernization and development of its services, administrative functions, legislation, and procedures. Of these, **740** were internal meetings and **182** were held with external entities to strengthen coordination and promote joint efforts in developing the tax sector. His Excellency the Director General played an active role in these initiatives, participating in **67** seminars and workshops related to the Authority's work throughout **2024**.

14 memoranda of understanding (MoUs) were signed with a range of public and private entities to strengthen cooperation and strategic partnerships across several areas. These included information and data exchange, electronic integration, enhanced audit mechanisms, support for tax awareness initiatives, innovation development, and the exchange of expertise to improve joint operations.



The FTA signed a memorandum of cooperation with the **'01Gov'** platform to expand the use of **'TAX 10'**, an innovative platform launched to foster innovation, excellence, and professional creativity among employees, enhance service delivery, and support the sustainable development of both institutional and individual performance.



A memorandum of understanding (MoU) was signed with the Federal Competitiveness and Statistics Centre to define information disclosure standards and reinforce control measures to ensure the secure and confidential handling of data.



UNITED ARAB EMIRATES
MINISTRY OF FINANCE

A Memorandum of Understanding (MoU) was signed with the Ministry of Finance to facilitate the exchange of information and data related to the implementation of excise tax, value added tax (VAT), and corporate and business tax in the United Arab Emirates.



UNITED ARAB EMIRATES
MINISTRY OF ECONOMY

The FTA signed a memorandum of understanding (MoU) with the Ministry of Economy to support the exchange of information and establish electronic connectivity between the two entities (National Economic Register).

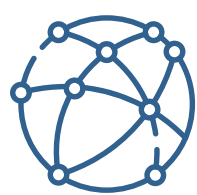


The FTA signed a membership agreement with the Etihad Credit Bureau to enhance cooperation and access its database and credit information services that support tax compliance efforts in the UAE. The agreement includes electronic integration between the two entities to improve adherence to tax laws and regulations using accurate and verified data.

A memorandum of understanding was signed between the FTA and Dubai Chambers to raise awareness of the UAE tax system, improve understanding of tax procedures and legislation, and emphasize its role in supporting the diversification of the national economy.



A strategic partnership was formed between the FTA and the Mohammed bin Rashid Housing Establishment to promote greater public understanding of the tax system. The collaboration focuses on expanding tax awareness through ongoing events and initiatives that keep citizens informed about the latest developments in tax legislation and procedures. Special attention is given to educating citizens on how to benefit from available facilities for reclaiming VAT on newly constructed residences.



The FTA has established digital connections with several entities to improve the efficiency of tax operations. These include the Departments of Economic Development in Ajman and Ras Al Khaimah, as well as the National Economic Register, to help update commercial license data and register tax files.



A system integration was completed with First Abu Dhabi Bank's (FAB) Magnati digital payment platform, which provides advanced digital payment solutions. Integration was also established with the Central Bank through the Partner Tax System application. In addition, the 'Customer Pulse' platform was connected to both the VAT refund scheme for tourists and the Taxation Residency Certificate (TRC) service.



الهيئة الاتحادية للهوية والجنسية والجمارك وأمن المنافذ
FEDERAL AUTHORITY FOR IDENTITY, CITIZENSHIP, CUSTOMS & PORT SECURITY

Electronic integration was implemented between the Federal Tax Authority and the Federal Authority for Identity & Citizenship, Customs and Port Security to facilitate tax file registration.

The FTA and the Dubai Land Department have strengthened their strategic partnership to deliver innovative digital solutions that enhance the real estate sales experience in the emirate and ensure compliance with relevant tax regulations. As part of the first phase of the partnership, data sharing was enabled through integrated digital systems to facilitate VAT compliance on commercial property and land sales, implemented through coordinated procedures.



The FTA also collaborated with Umm Al Quwain Customs and Ras Al Khaimah Customs to verify Tax Registration Numbers (TRN-CRN) through the CCIS system.



Integration was completed with both the Etihad Credit Bureau and the Ministry of Human Resources and Emiratisation to support the provision of Tax Registration Number (TRN) data. The Authority also integrated with tax service providers (TSPs), including Tally, Zoho, Code4U, and SAP, to enable the E-filing service.



The Ministry of Justice and the Federal Tax Authority have collaborated to establish an electronic linkage for handling objections to tax assessments. This collaboration supports the delivery of integrated electronic services across all stages, beginning with the submission of objections, followed by their referral to the competent committees, the exchange of information, and the issuance of committee decisions.



A Memorandum of Understanding (MoU) was signed with the Ajman Department of Finance to establish the rules and standards governing the disclosure of information maintained by the FTA and its employees. The agreement also aims to strengthen control procedures to ensure the security and confidentiality of information in accordance with international best practices. This initiative fosters cooperation and supports the development of a tax environment that upholds the highest standards of governance and transparency.



The FTA strengthened its partnership with the Ras Al Khaimah Department of Economic Development to support tax education and awareness initiatives targeting the business community, entrepreneurs, and investors.

The FTA conducted benchmarking exercises with leading government entities in the UAE to leverage their advanced operational systems. These included the Ministry of Finance, Dubai Electricity and Water Authority (DEWA), the Roads and Transport (RTA) Dubai, Digital Dubai, and the General Directorate of Identity and Foreigners Affairs - Dubai.

As part of its ongoing efforts to exchange knowledge and expertise, the FTA welcomed a delegation from the Securities and Commodities Authority to share its experience in digital transformation, highlighting key practices and technologies adopted to enhance operational efficiency and service delivery.



A memorandum of understanding (MoU) was signed by the FTA and the American University of Sharjah to facilitate knowledge exchange and strengthen collaboration in executive education, career development, curriculum enhancement, training opportunities, and community outreach. Under this MoU, the university will offer professional certifications and training courses in tax-related fields.



In **2024**, the Federal Tax Authority hosted the Second Forum for Strategic Partners, where it recognized over **60** partners from the government and private sectors. The event reflected the Authority's commitment to strengthening collaboration and expressed appreciation for the vital role these partners play in advancing shared national strategic objectives.



As part of its ongoing coordination efforts, the FTA held regular meetings with relevant stakeholders, including the Government Financial Policy Coordination Council, the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Economy, the Ministry of Industry and Advanced Technology, the Central Bank of the UAE (CBUAE), the UAE Accountability Authority (SAI), the Telecommunications and Digital Government Regulatory Authority (TDRA), the Federal Authority for Identity, Citizenship, Customs & Port Security (ICP), the Federal Competitiveness and Statistics Centre, the National Economic Register, and the General Authority of Islamic Affairs and Endowments. The FTA also coordinated with local customs departments, land and property departments, economic development departments, financial departments, municipalities, Tasheel centres, commercial banks, major suppliers of excise goods (for price updates), and other companies involved in its operations.



The FTA hosted a Ramadan gathering with representatives from the business community, attended by His Excellency Khalid Ali Al Bustani, Director General of the Authority; His Excellency Mohammed Abdul Rahman Mohammed Al Hawi, Undersecretary of the Ministry of Investment; several officials from the Authority; and representatives from **210** SMEs, large companies, and government entities. The gathering was part of the Authority's ongoing efforts to strengthen collaboration and maintain open communication with its partners in both the public and private sectors. During the meeting, the business community was invited to share ideas and suggestions to support the sustainable development of the Authority's services.

Regional and International Partnerships

As part of its regional strategic partnerships, the FTA participated in **10** coordination meetings with teams and committees concerned with the GCC Unified Tax System. The outcomes of these meetings were documented to support the implementation of their objectives.

The FTA has further strengthened its international presence in the tax sector by participating in the Fifth Belt and Road Initiative Tax Administration Cooperation Forum (BRITACOF), held in Hong Kong in September **2024**. Discussions focused on enhancing tax cooperation among Belt and Road countries and regions, fostering an environment that supports economic growth, improving the efficiency and coordination of tax administration, and advancing tax systems through digital transformation.



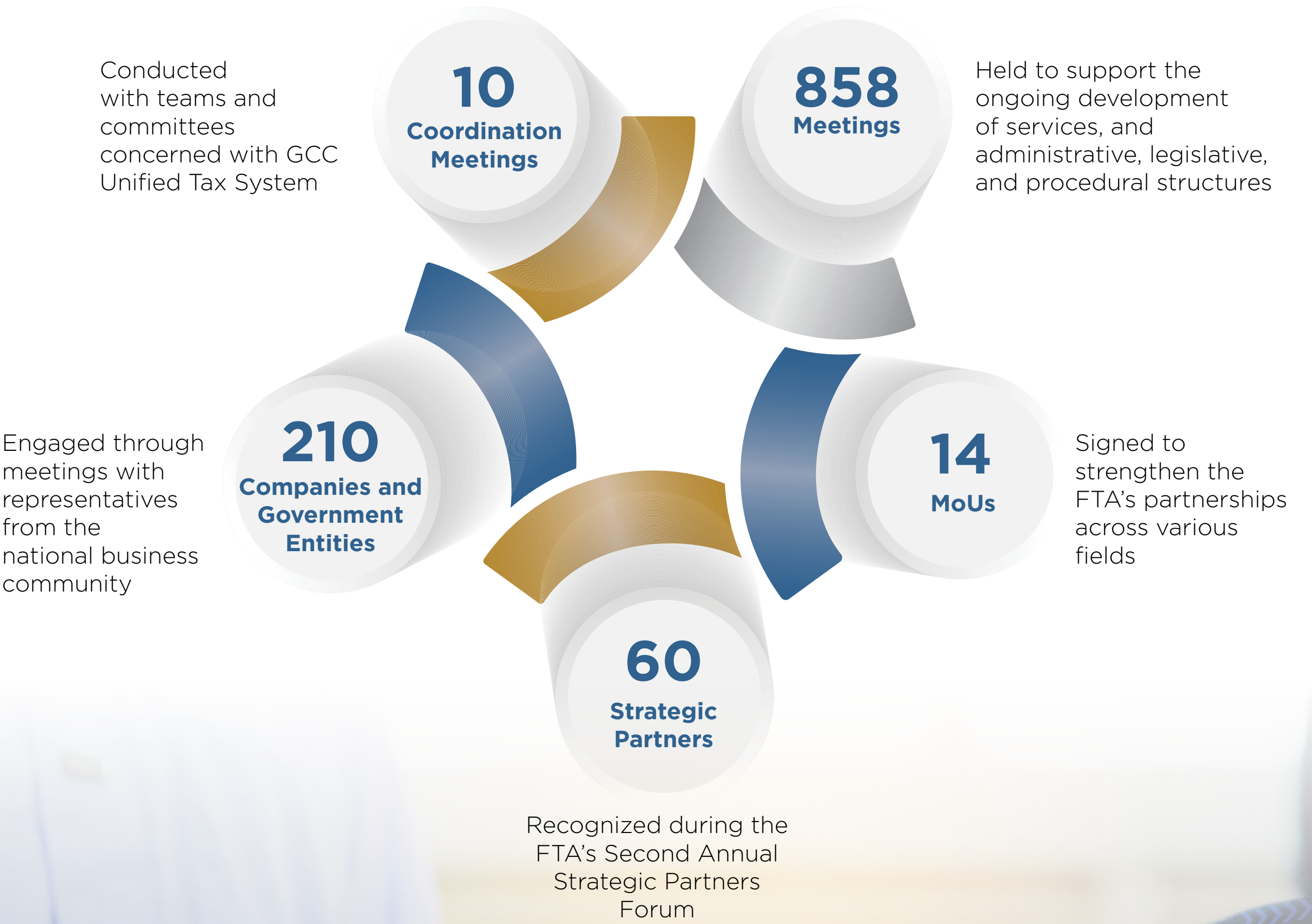
The UAE, represented by the Federal Tax Authority (FTA), participated in the meeting of tax officials and experts from the BRICS countries held in Moscow, Russia, from **24th to 26th September 2024**. The event brought together delegations from the tax authorities of BRICS member states to discuss key areas of cooperation. The FTA delegation was received by His Excellency Mikhail Mishustin, Prime Minister of Russia, who highlighted the importance of international collaboration, particularly in the field of taxation and its role in driving economic growth. The delegation also met with His Excellency Daniil Yegorov, Director General of the Federal Tax Service of Russia, to explore opportunities for cooperation and the exchange of expertise in tax administration.

As part of its commitment to international collaboration in institutional development, the FTA participated in the Remote Working Tools and Systems Conference held in the United Kingdom.

At the request of the Hungarian National Fund for Social Responsibility, the FTA conducted a benchmarking exercise to share insights into its annual budget preparation process, including best practices and the approach used to determine budget outputs.



Driving Impact Through Strategic Partnerships



Digital Transformation
and Innovation

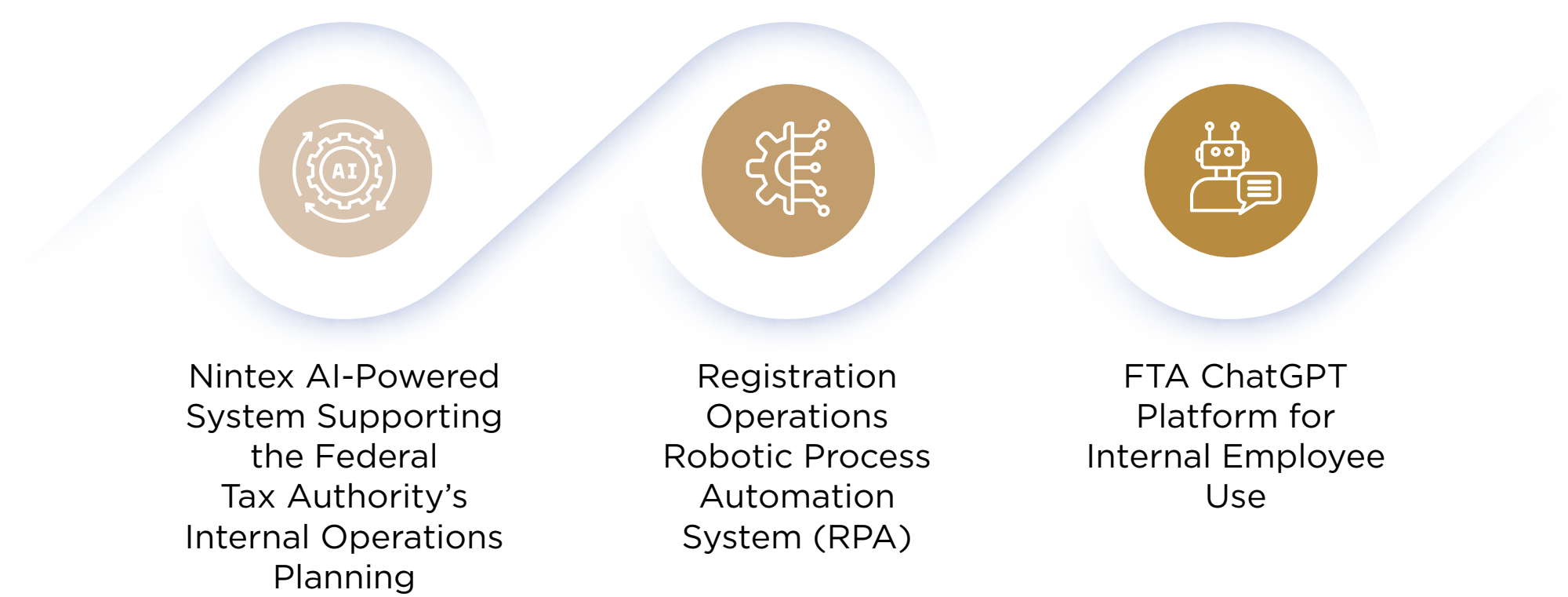


Pioneering the Future of Smart Tax Solutions

In 2024, the Federal Tax Authority made significant strides in reinforcing its position as a leading digital institution. This progress was reflected in the launch of innovative initiatives and the adoption of advanced technologies that brought about a substantial improvement in the quality and efficiency of tax services. Key milestones in the Authority’s digital transformation journey included the launch of smart applications such as ‘Maskan’ to facilitate VAT refunds for UAE nationals, the expansion of e-services to cover tourist tax refunds through e-commerce platforms, and the adoption of AI and process automation to enhance operational efficiency and reduce time and effort.

Sustainable Development Initiatives

Adopted Technologies for Enhancing Work Efficiency



Digital Tax Services



“Maskan”



The ‘**Maskan**’ smart application was launched to **streamline the VAT refund process** for newly built residences by UAE nationals. The service is **100% paperless**, relying entirely on digital procedures.

This step forms part of the FTA’s ongoing contribution to several major **transformation projects** aimed at **enhancing digital service delivery**. It supports efforts to accelerate service provision, reduce paper usage, minimize documentation requirements, and introduce further service improvements to deliver measurable results within a short timeframe.

The **Maskan** app serves as an effective model within the efforts to achieve **zero bureaucracy** and deliver next-generation integrated and **proactive services**, in line with the UAE’s vision of delivering **world-class** government services.

Built to meet the latest standards, the **Maskan** digital platform ensures efficient performance, clear procedures, and ease of use. It enables citizens to fully benefit from **digitization and accelerates the process of recovering VAT** on newly constructed residences.

During the development phase, the FTA held a series of **brainstorming sessions and consultative meetings** with some of the concerned citizens and suppliers. Participants were invited to share their insights based on their experience with the previous VAT refund process. **Their feedback** was incorporated into the **design and implementation** of the **Maskan** application.

Accessible on both **iOS** and **Android** platforms, this app aims to enhance **citizen satisfaction** with the VAT refund service for newly constructed residences.

The **Maskan** app **offers several features** designed to streamline the VAT refund process for UAE nationals building new homes. Notably, it enables users to create an account by activating the **single sign-on** feature through **UAE Pass**. This integration allows seamless access to the Federal Tax Authority’s electronic platforms. Additionally, the app issues a QR code for each refund applicant, facilitating efficient tracking and processing of applications.

With a single click, the application extracts tax **invoice details** and automatically calculates the VAT amount eligible for refund. It allows UAE nationals to **enter tax invoices** related to construction expenses for their new residences by uploading documents or attaching images, and to submit a VAT refund request directly through the platform.

A **barcode** feature enables UAE nationals to **scan and download tax invoices** issued by FTA-registered outlets directly to their account. This eliminates the need to submit traditional paper invoices, which may be lost or damaged before submission, and supports the accurate recovery of VAT on all eligible purchases, even if the original invoices are misplaced.

Key Features of the Maskan Smart Application

Proactively upload the required documents using the smartphone app while the residence is still under construction and before the construction certificate is issued.

Availability of a feature that verifies submitted invoices and alerts users if the invoices do not meet the criteria for a refundable tax invoice.

A feature to upload construction phase invoices to the citizen's account through the app, with a barcode provided for suppliers to scan and automatically upload invoices to the applicant's account.

Calculate the expenses and the estimated amount of tax payable eligible for refund.

A flexible option that enables the homeowner or a registered supplier to submit invoices through the app on behalf of the owner.

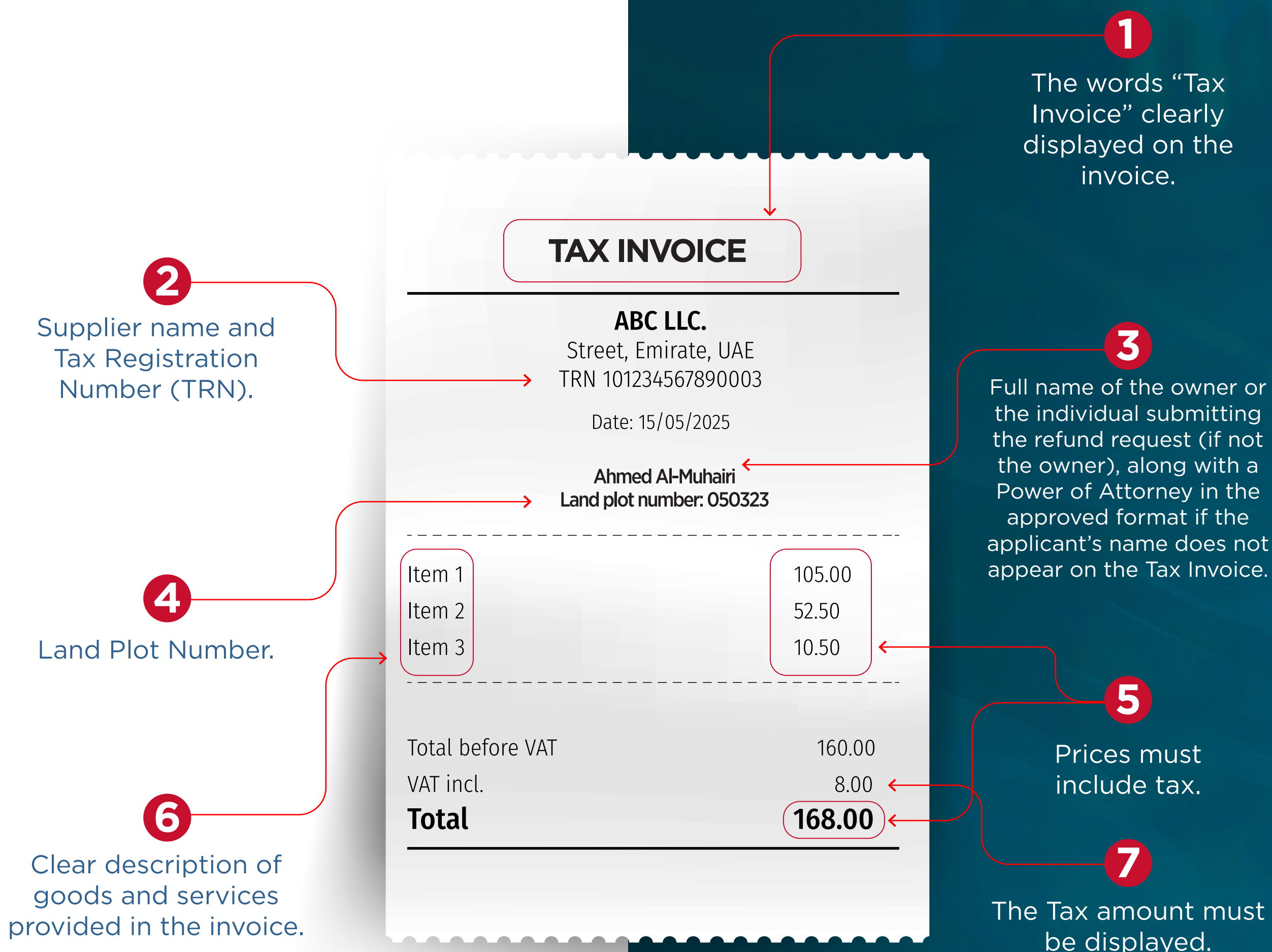
A Smart map feature that enables users to locate the constructed residence and display a list of suppliers with their geographical locations.

Expedite the processing of refund requests.

Access via the UAE Pass.



Criteria for a Valid Tax Invoice for a Streamlined VAT Refund Process



**Your Tax Invoice,
Your Right**



VAT Refund for Tourists on E-Commerce Purchases

The FTA issued legislation enabling tourists to recover VAT on e-commerce purchases made during their stay in the UAE, making the country the first in the world to implement such a system.

This initiative forms part of the FTA's broader efforts to adopt proactive, innovation-driven solutions within the digital transformation ecosystem. It reflects a forward-looking approach designed to meet future needs, strengthen the UAE's global competitiveness in government service delivery, and contribute to the UAE's vision of setting global benchmarks in public service delivery.

This achievement plays a key role in enhancing the UAE's standing in global digital competitiveness and innovation indices. It also supports the country's continued leadership in strategic sectors such as tourism and e-commerce.



In coordination with Planet, the authorized operator for tourist VAT refunds, the FTA has established a plan to integrate e-commerce platforms and retailers registered with the Authority into the VAT Refund System for Tourists on E-Commerce Purchases during their stay in the UAE.

This initiative builds upon the FTA's prior achievements, including the launch of a fully digital, **100%** paperless VAT refund system for tourists, which continues to be regularly updated and enhanced.

The system enables tourists to scan their passports, complete purchases, automatically receive digital tax invoices, and verify these invoices through the shoppers' portal.

VAT refund procedures are processed efficiently from the point of purchase until the refund is issued upon the tourist's departure from the UAE. The system ensures full compliance with tax legislation through strict verification of tourist eligibility.

Tourists can submit VAT refund requests directly through e-commerce platforms registered with the FTA by providing travel document details and personal information before the goods are shipped, ensuring eligibility is confirmed at the time of purchase.

The registration process for VAT refunds is completed once the tourist's identity is successfully verified at the time of delivery or upon submission of the online application.

A live chat service is now available on the website of "Planet", the authorized operator of the digital VAT refund system for tourists, providing real-time support and assistance.

“Commercial Property Tax Calculator”

The FTA has developed a VAT calculator for commercial property transactions in the UAE to support the effective application of relevant tax legislation on real estate sales.

The tax calculator simplifies the legislative framework by guiding users through a set of questions that help determine the correct VAT treatment for real estate transactions.

The VAT calculator covers all key components of the process, including eligibility requirements, applicant details, property information, real estate sale data, buyer and seller information, tax calculation, identification of the party responsible for paying the tax, application review and submission, and the issuance of a transaction reference number.

Eligibility criteria include the VAT registration status of the buyer and seller, the property classification as per the Land Department records, the type of real estate transaction, the intended use of the property, the continuity of business operations for commercial properties post-sale, and the classification of the property as mixed-use (residential/commercial).

The educational tax calculator allows users to determine the VAT treatment of a property, assess whether it is subject to tax, and identify the party responsible for payment (seller or buyer), without requiring any specific details about the property or its owner.



NINTEX System

The FTA launched the AI-powered “My Procedures” Nintex system. It is the most advanced system to date for internal process design and management. Leveraging integrated visual tools, the system streamlines and automates workflows with exceptional efficiency and accuracy.

The system empowers FTA personnel to execute sustainable optimizations and iterative developments of operational procedures and processes with enhanced agility, user-friendliness, and efficacy, leveraging AI technologies.

It helps accelerate process optimization and automation initiatives by providing dynamic process maps, configurable workflow templates, and a robust toolkit of precision-engineered and AI-augmented components.

The system’s deployment has triggered a paradigm shift in optimizing and streamlining employee work methodologies across all FTA departments, fostering an organizational ecosystem conducive to innovation. Employees can now document and orchestrate operations utilizing advanced AI capabilities.

The “My Procedures” system enables FTA employees to design and deploy dynamic e-forms for streamlined data collection and visualization. It

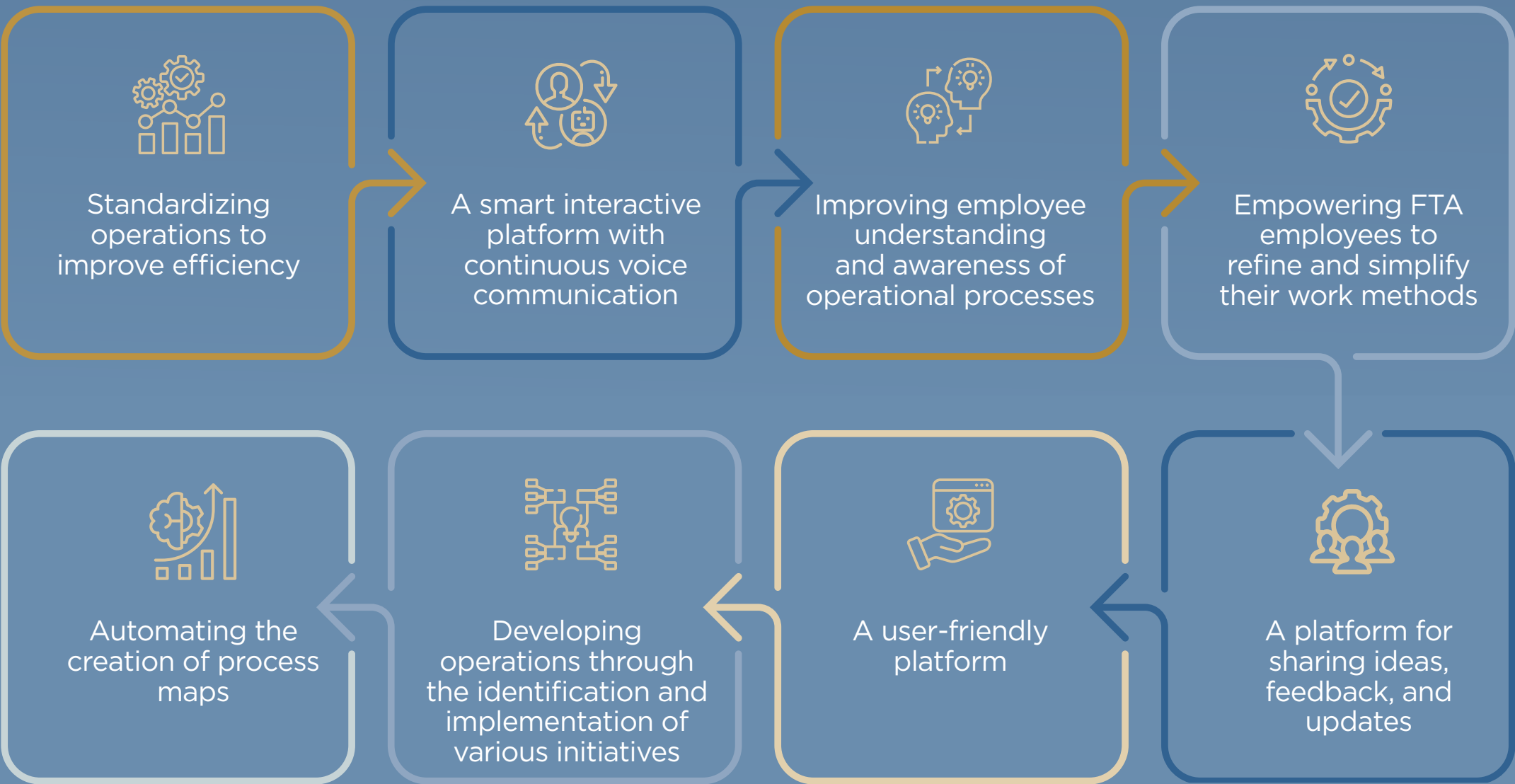
provides real-time operational visibility, facilitating workflow analysis and performance monitoring, thereby consolidating all FTA processes into a unified, holistic, and centralized operational hub.

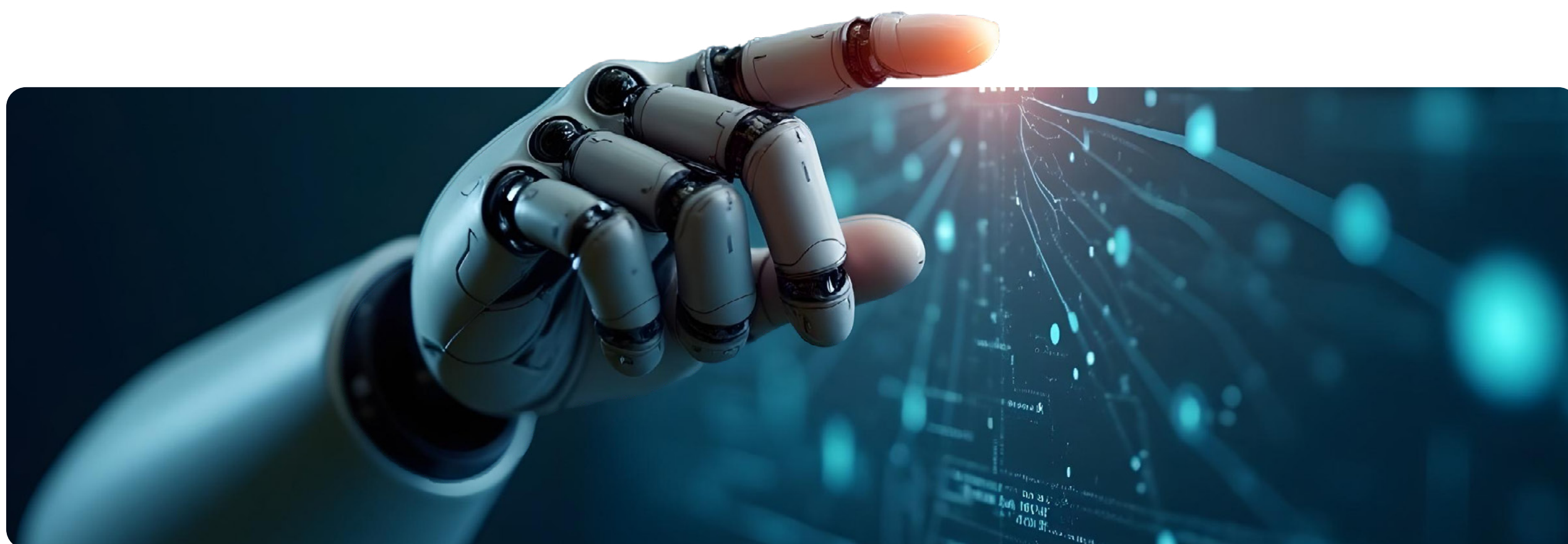
The system is designed to achieve operational harmonization across diverse organizational units, thereby maximizing efficiencies. It also enhances inter-department synergy among FTA employees by providing a platform for process-related ideation and feedback, as well as for the identification and implementation of Continuous Process Improvement (CPI) initiatives.

This AI-centric approach to operational process management is a testament to the FTA’s efforts in comprehensive digital transformation. This methodology guarantees sustained delivery of high-caliber and efficient tax services to its customers in line with the international best practices.

This deployment has yielded reductions in turnaround times for operational process modeling and documentation, while ensuring that data is accurate and up to date. It has also enhanced performance and driven optimization across both primary and secondary processes.

Benefits of the “My Procedures” NINTEX System





Robotic Process Automation (RPA)

Five core tax processes were re-engineered using Robotic Process Automation (RPA) technology. RPA bots were enhanced with Artificial Intelligence (AI) and Machine Learning (ML) capabilities to allow FTA specialists to expedite the processing of taxpayer registration applications submitted via the “**EmaraTax**” digital tax services platform. This was crucial for managing the high volume of applications that previously required manual review and adjudication.

The specialized FTA team engineered RPA solutions to manage tax registration applications by executing procedural steps, routing applications through predefined workflow stages, validating the application data for completeness and compliance against stipulated requirements, and performing automated updates to application status.

In line with the FTA’s commitment to continuous performance enhancement in service delivery, procedures were upgraded by deploying RPA systems. RPA, an AI-driven technology, facilitates process automation, thereby optimizing time and ensuring the accuracy of procedures. Consequently, the deployed system has demonstrated a significant impact on time savings and transaction throughput across the following services:

VAT De-Registration



5,330

Applications
Processed



Saving
513 Working
hours

Corporate Tax Registration



15,130

Applications
Processed



Saving
2,511 Working
hours

Tax Record Amendments



4,500

Applications
Processed



Saving
450 Working
hours

Key benefits of this initiative include a saving of over **4,667** working hours for the Tax Operations Department staff due to the complete elimination of manual procedures. This has enabled the redirection of human capital towards higher-value tasks. Tax Operations Department personnel now focus on analytical reviews of applications and associated data, rather than manual processing. Such advancements were also leveraged to streamline additional automation procedures across other FTA operational sectors. Development was conducted in-house by the FTA team, utilizing Python technologies renowned for facilitating rapid and simplified development of network-based applications and automation scripts.

Key Outcomes of RPA Deployment in Registration Processes

4,667

Working hours saved for Tax Operations Department staff due to the elimination of manual procedures.



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5

Core Tax Processes re-engineered using Robotic Process Automation (RPA) technology.

32,456

Applications Processed through the deployment of diverse automated process packages.



.....



.....

Human Capital Redirected to analytical tasks involving application and data review, moving away from manual procedures.

18

Tax-related Process Packages deployed using RPA technology.



.....



Diverse Projects

Enabling FTA employees to use **ChatGPT**, a chatbot that was programmed for natural language conversations using artificial intelligence. It is one of the most advanced AI models available due to its capability to interpret and synthesize natural language for these applications. Key features include direct topic access, dynamic topic switching, contextually relevant and clear responses, prioritization of data privacy, and adaptive learning capabilities.



Launch of the **Tax Evasion Pattern Identification and Monitoring Project** using AI applications to detect instances of tax non-compliance. The system leverages historical non-compliance data from previous years, analyzing these findings to predict the probability of similar future occurrences. The project has completed the requirements gathering and documentation phase, and the technical design phase, including AI and ML model design documentation, has been approved.

Several strategic projects were accomplished, including a feasibility study to identify preferred service delivery channels for taxpayers, and the enhancement of tax accounting systems.

A project for **excise goods registration procedure was approved**. Concurrently, **5** benchmarking studies were conducted against leading entities within the UAE to identify best practices.

The **procedures and templates of the Project Management Unit** were developed, aligned with its mandate to manage all project types, including software and non-software initiatives. This was achieved through introducing **30** new project management templates, the development of an annual work plan, and the refinement of the project lifecycle.

The Corporate Performance and Incident Management Systems was launched to implement the requirements of strategic performance management, enterprise risk management (ERM), and compliance management. This scope includes business continuity and IT disaster recovery (ITDR), business impact analysis (BIA), internal audit, incident management, information security, operational audit, and an ISO management system to ensure adherence to regulatory standards and operational risk management, with a strong commitment to core values such as data integrity.

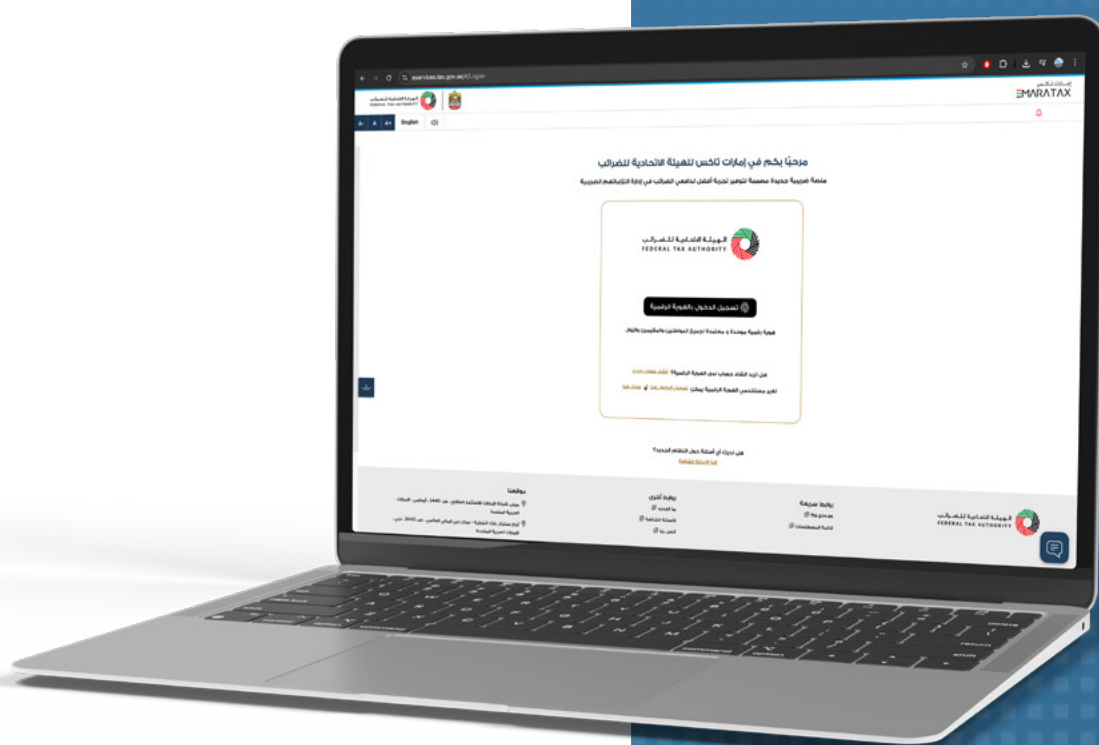
The **Data Governance Strategy** Project was initiated with the aim of enhancing existing data management and governance framework within the FTA. Data is recognized as a cornerstone for decision-making and building analytical models that support the FTA's progression and competitive standing, aligning with Federal Government's directives to adopt AI technologies, with AI and ML models being fed by high-quality data. The strategy aims to define data governance and management policies and standards, list existing data sets within the FTA, establish data roles and responsibilities, enhance data quality, ensure data accessibility and reliability, and enforce compliance with data protection regulations and standards.

The FTA continued its efforts to **expand digital transformation to encourage voluntary tax compliance** within an advanced operational environment. The year **2024** witnessed diverse achievements in applying global quality standards, ensuring the continuity of federal tax administration, collection, and enforcement, in addition to implementing tax procedures aligned with best practices through innovative methods.

The **full functional verification time** for the **"EmaraTax"** system at the recovery site was reduced in **H2 2024** to **1 hour and 49 minutes**, compared to **2 hours and 15 minutes** in **H1 2024**, demonstrating improved team performance. Critical operations were sustained from the recovery site for two weeks, an increase from one week in **H1** of the year.

Intensive efforts were made to **resolve emergent issues** for other systems to improve **SLA compliance for technical incident resolution**, successfully meeting set targets. Average performance in this domain reached **97%** during **2024**, with a **100%** tested Business Continuity Plan (BCP) and **100%** fulfillment of service level criteria.

Satisfaction with smart services (mobile application) rose by **7%**, achieving a **73%** satisfaction rate.



The **"EmaraTax"** digital tax services platform received continuous technical support for immediate resolution of emergent issues, enhancing adherence to Service Level Agreement (SLA) targets for technical incident resolution. Operational processes were also intensified to overcome numerous challenges and improve overall resolution times, leading to a **14%** increase in SLA compliance for incident resolution compared to **2023**. Furthermore, **124** technical enhancements were implemented based on change requests from **16** departments, modifying the **"EmaraTax"** platform's live environment.

The FTA achieved a **6%** increase in **customer satisfaction with its digital channels** (websites) compared to **2023**, reaching an **87%** satisfaction rate for digital tax services, according to the “Customer Pulse” feedback mechanism.

The FTA secured **second place** at the Federal Government level in the **Digital Government Online Services Index** for compliance with the requirements of the Global Star Rating System for Services and the Telecommunications and Digital Government Regulatory Authority (TDRA).



Integration was established with the Federal Authority for Identity, Citizenship, Customs and Port Security (ICP) to create the “**Digital Wallet**,” enabling access to certificates within UAE Pass as a service on the unified digital platform. This allows for real-time calculation of residency days in the country, a process that previously required over **13** minutes per application prior to this integration.

Digital signature was integrated with the UAE Pass application, and the digital seal feature was activated. Additionally, integration was completed with Ras Al Khaimah Department of Economic Development for Tax Registration Number verification services.

8,776 surveys were received via the “**Customer Pulse**” service to enhance the Taxation Residency Certificate (TRC) service.

The **unified platform for talent acquisition and recruitment** processes underwent automation for **7** new employee onboarding processes, with **67** applications received via the digital portal during **2024**.

As part of maintaining **high performance in data recovery operations**, successful disaster recovery tests for data restoration continue to be conducted, demonstrating the FTA’s efficiency and preparedness for unforeseen events, alongside a **22%** reduction in resource dependency.

A **system performance monitoring system** was implemented in collaboration with the Telecommunications and Digital Government Regulatory Authority (TDRA) to track critical situations and system incidents.

An enterprise **architecture governance system and framework** were developed based on global standards, after which an Enterprise Architecture Governance Office was established. An EA maturity assessment was also conducted, and necessary corrective actions were defined. Workshops were then held to introduce the enterprise governance system and framework.

The FTA's Digital Services Department conducted **41** internal workshops to **enhance customer journey design** and application interfaces for **28** tax services. Corrective measures were identified by reducing the number of fields and proposing integrations with other government entities to minimize procedural steps. Additionally, **10** workshops were managed with taxpayers to review the requirements of zero bureaucracy and customer experience enhancement.



A **“Hackathon”** program was executed to develop innovative technological solutions for challenges in the tax domain, in collaboration with governmental and educational sectors. This involved bringing together elite developers, programmers, and designers to form synergistic teams aimed at generating **solutions and ideas for simplifying tax procedures**.



Participation in the **“TAX 10”** digital innovation platform, initially for FTA employees, was expanded to offer user licenses to various segments of UAE society, representatives from universities and government entities within the country, and tax authorities in GCC countries.

Diverse Transformational Tax Projects

First Wave



The “Muwafaq” Package Launch of SME Privilege Package

An initiative delivering a comprehensive suite of privileges, including proactive issuance of Tax Registration Numbers (TRNs) and Taxation Residency Certificate (TRC), alongside access to subsidized tax accounting software, subject to defined eligibility criteria. These advantages are extended to Small and Medium-sized Enterprises (SMEs) contingent upon their successful participation in specialized training programs focused on tax policies and procedural frameworks. This initiative equips them to navigate Value Added Tax (VAT) and Excise Tax requirements, thereby fostering their adherence to tax laws and regulations.



Specialized Tax Agent

A transformational project focused on the strategic classification of tax agents according to FTA-registered economic sectors. This initiative aims to empower businesses seeking tax agent services by facilitating their selection of agents with proven specialization in their respective sectors.



Second Wave



Issuance of Taxation Residency Certificate (TRC)

A comprehensive reform and upgrade of the Taxation Residency Certificate (TRC) issuance system. This includes the automation of data population, real-time validation of data inputs, and a significant reduction in requisite documentation. The enhanced system will also enable seamless integration with the Federal Authority for Identity, Citizenship, Customs & Port Security to facilitate pertinent data validation.



Maskan Project

The **Maskan** project delivers a unified platform (mobile application) enabling UAE citizens to reclaim Value Added Tax (VAT) on the construction of new private residences. The app also empowers suppliers to issue compliant tax invoices via the smart application, thereby automating the service for the end-user and alleviating the procedural burden on applicants.

The system intelligently aggregates all tax invoices for qualifying expenditures, compiling comprehensive records to streamline validation for refund processing. Furthermore, the system connects with local authorities in each emirate to obtain housing completion certificates, subsequently triggering automated claim generation.



Third Wave



Tax Evasion Pattern Identification and Monitoring Project using AI applications

2024 - 2025

A leading platform was launched to detect and combat instances of tax evasion. The platforms involve in-depth analysis of taxpayer data to inform targeted audit strategies, leveraging advanced Artificial Intelligence (AI) and Machine Learning (ML) capabilities embedded within the tax ecosystem. Taxpayers are dynamically classified into groups based on sophisticated profiling and financial behavior analytics, facilitating the formulation of tailored intervention strategies for each group to enhance overall tax compliance.



Developing the Excise Goods Registration Procedure

The development of an advanced platform for excise goods registration, utilizing AI and cutting-edge technologies that embody principles of zero bureaucracy and substantially reduce processing time and effort. This initiative is geared towards optimizing the customer journey and driving a paradigm shift in the efficiency of excise goods registration.

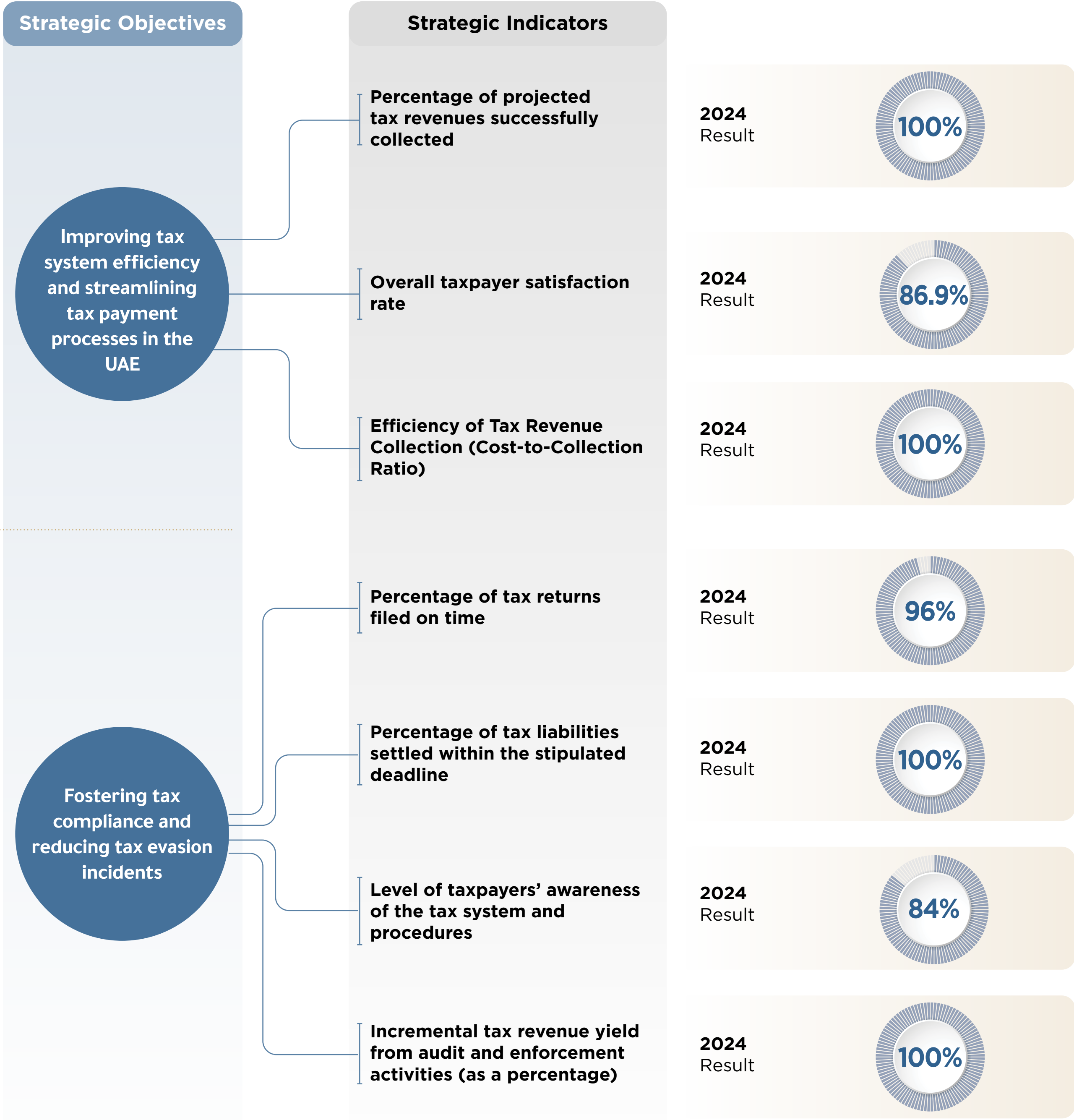
The platform facilitates registration for taxpayers through electronic integration with partner entities, ensuring automated data flow for enhanced accuracy and adhering to the 'request data once' principle, thereby enriching databases.

The platform supports uploading of specific and distinctive features of imported products in a unified and structured format, enabling meticulous verification of product information to ensure absolute data integrity prior to approval, inclusion in official price lists, and expedited market access for the customer.



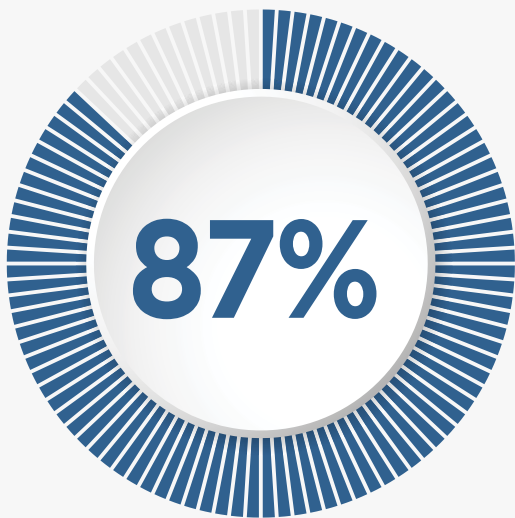


Strategic Indicators

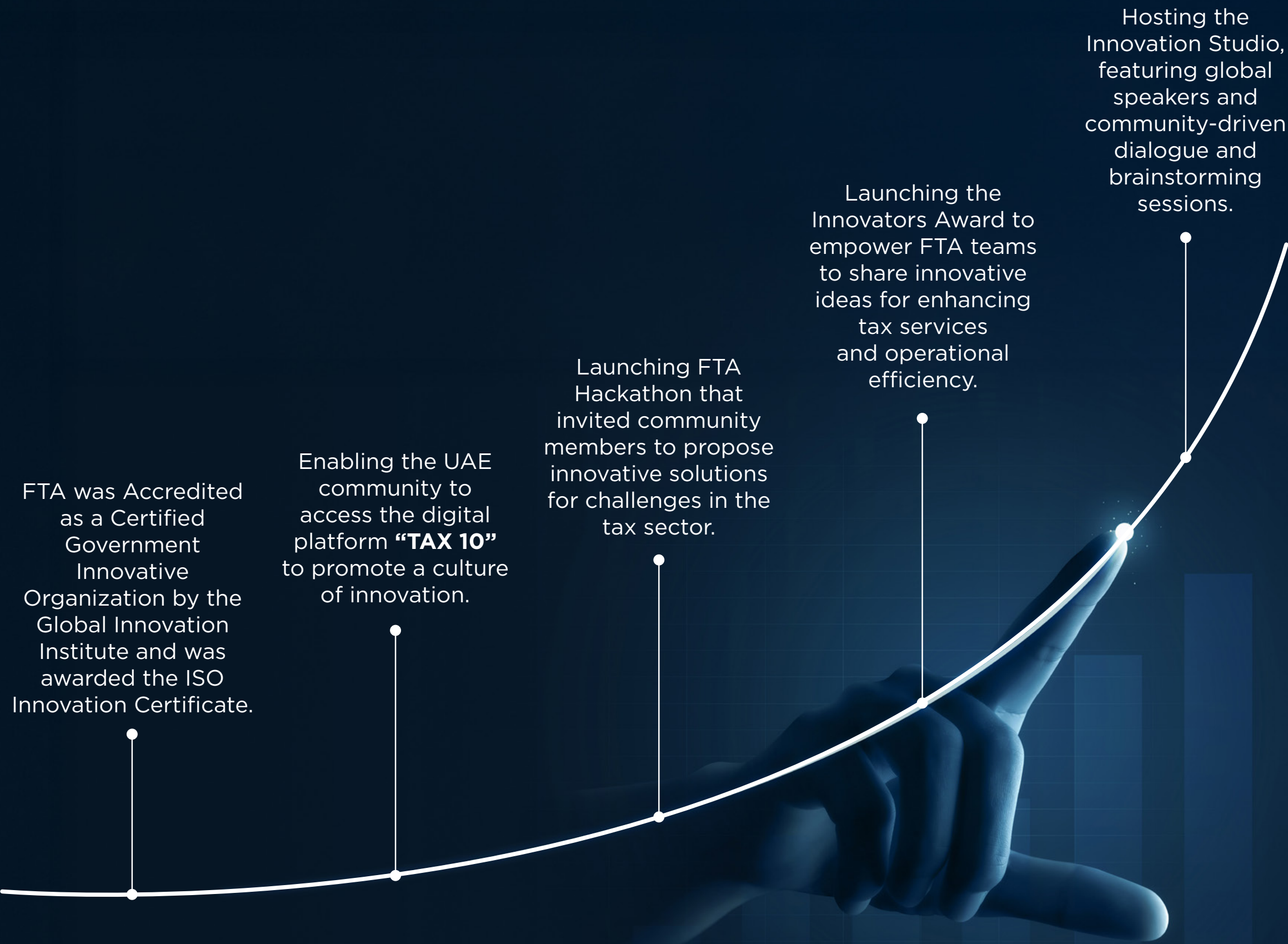


Government Services Observatory 2024

Overall Customer Pulse Score (All Services)



FTA’s Innovative Achievements in 2024



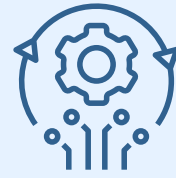
Building a Culture of Innovation through Initiatives



Implementing the innovation strategy



Implementing the innovation charter



Updating the Innovation Management System



Developing a digital platform to promote a culture of innovation (TAX 10)



Promoting a culture of innovation within the Authority through strategic agreements



International Recognition

Milestones of Excellence and Innovation



2024 was a milestone year for the Federal Tax Authority (FTA), marked by a series of distinguished achievements. Driven by a commitment to excellence and innovation, the FTA earned its place among the finalists in the Mohammed bin Rashid Government Excellence Award, secured prestigious international accreditations, and celebrated the outstanding contributions of its internal teams. These milestones reflect the Authority's ongoing pursuit of sustainable excellence and its role as a leading example in the tax sector.

The FTA **participated** in the **7th cycle** of the **Mohammed bin Rashid Government Excellence Award in 2024**, reaching the final shortlist in multiple categories. This is a testament to its institutional excellence, innovative spirit, and dedication to delivering high-quality services that enhance the quality of life in the UAE.

The FTA advanced to the final nominations in several key categories, including **Leading Federal Entity**, Best Entity in Youth Empowerment, the Prime Minister's Medal for Distinguished Leadership, the Prime Minister's Medal for Best Specialist, and the Prime Minister's Medal for Youth.

The FTA **launched the second cycle of the AIRuwad Award** for Excellence to cultivate a culture of innovation and healthy competition within the workplace. The initiative saw a **131.6%** increase in participation compared to the first cycle, reflecting growing engagement.

The FTA **earned two new international accreditations** in **2024: ISO 31000:2018** for Risk Management System and **ISO 44001:2017** for Partner Relationship Management System.

It also maintained certifications in five internationally recognized standards:



- **ISO 9001** for quality management
- **ISO 27001** for information security
- **ISO 20000** for IT service management
- **ISO 22301** for business continuity
- **ISO 56002** for innovation management

These accreditations reflect the FTA's adherence to best global practices and reinforce confidence in its operational efficiency and sustainability.

The FTA **launched its internal "Innovation Challenge Award,"** encouraging employees to develop forward-thinking, practical solutions. This initiative aims to foster innovation and deliver tangible improvements across operations and strategic processes.

The FTA has been **awarded** the **Institutional Ethical Accreditation** by the Chartered Institute of Procurement & Supply (CIPS), becoming the first tax authority worldwide to receive this prestigious recognition for two consecutive cycles, reflecting its continued commitment to integrity and transparency.



One of FTA's national staff members became the **first from a federal entity to earn the internationally recognized "Assessor Certification"** from CIPS and was named **"Procurement & Supply Leader of the Year 2024."**

The Authority received accreditation from the Global Innovation Institute (GII) in recognition of its innovative projects and commitment to fostering a culture of innovation.



The FTA also **won three awards** at the **2024 GCC Government and Human Resources Summit**. This marked the first time its Training and Development Department participated since the FTA's establishment, competing against over **120** public and private sector entities.

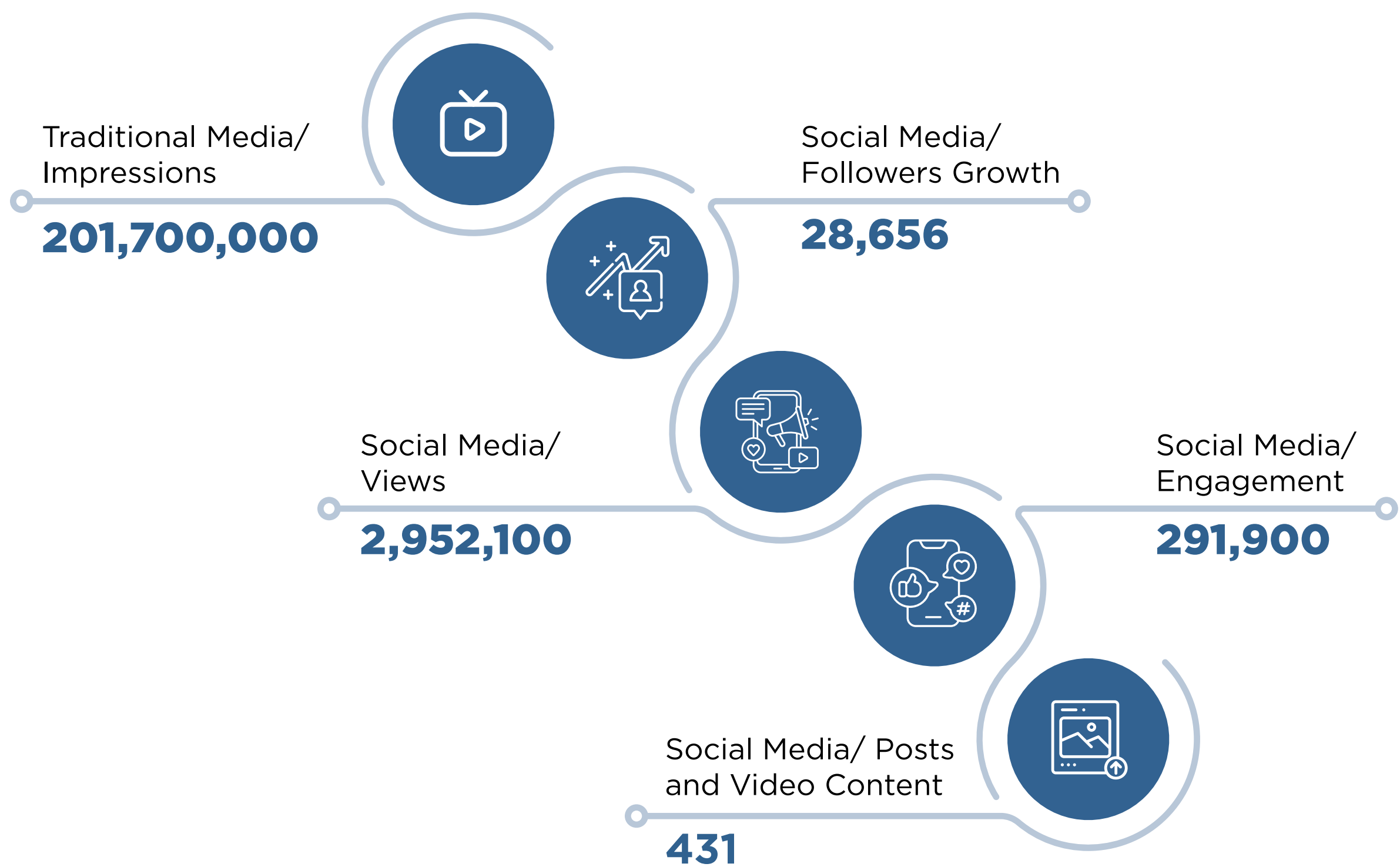
In recognition of its efforts in workforce development and organizational culture, the FTA ranked first (tied) among GCC countries for its Corporate Culture Project.

Government Communication

Tax Awareness and Community Engagement

The Federal Tax Authority (FTA) has opened wide and diverse channels of communication with the public, aiming to foster a strong culture of tax compliance through impactful awareness efforts. These efforts have gone beyond simply sharing information. They have created meaningful engagement with various target groups through innovative use of media and digital platforms. This report highlights the Authority’s successful journey in reaching its intended audiences, meeting their informational needs, and raising awareness of the tax system’s vital role in sustainable development.

FTA’s Marketing and Communication Performance - 2024



Media Presence... Digital Outreach

The FTA continued to implement its internal and external communication strategy, aimed at enhancing its media presence and expanding its digital outreach through traditional media and social media platforms. The goal was to engage all segments of society and raise awareness about the Authority’s growing services, key initiatives, and projects.

The strategy focused on diversifying and enhancing institutional communication tools in line with ongoing developments in media, social networking, and digital marketing. It aimed to strengthen the Authority’s presence in the wider community, particularly within the business community, through expanded partnerships with media outlets and innovative tools to maintain and grow these collaborations.

With increased focus on digital communication and social media marketing, the year **2024** saw **2.95 million** views/reach, **291.9 thousand** interactions, and a growth of **28.66 thousand** followers. A total of **431** reports and videos were published, and **356** inquiries from users were responded to.

Videos featuring **22** influencers were broadcast to promote **19** of the Authority's services, generating approximately **2.8 million** views across social media platforms.



The Authority significantly increased its presence on social media, with the number of awareness posts reaching a record **4,399** in **2024** compared to **1,328** in **2023**, representing an increase of **231.25%** ▲.

The total reach of posts related to the Authority reached approximately **125 million** in **2024**, compared to **93 million** in **2023**, reflecting a **34.41%** ▲ increase.





The FTA appeared in **1,636** posts in **2024**, compared to **1,262** posts in **2023**, marking a **29.64%** ▲ increase.

A total of **2,763** posts highlighted the taxes implemented by the Authority in **2024** compared to **1,110** posts in **2023**, representing an increase of **148.92%** ▲.

To showcase its events, activities, and various initiatives, the Authority issued **65** press releases in both Arabic and English in **2024** compared to **61** in **2023**, reflecting an annual increase of approximately **7%** ▲.

The total number of media impressions related to the Authority exceeded **200 million** for the first time since its establishment, reaching approximately **202 million** in **2024** compared to **198 million** in **2023**, marking a **2%** ▲ increase.

The successful implementation of the government communication strategy supported the continued expansion of the Authority’s media presence, with **6,231** media items published in **2024** compared to **6,083** in **2023**, reflecting a **2.4%** ▲ increase.

The taxes implemented by the Authority (Excise Tax, Value Added Tax, and Corporate Tax) were featured in **12,577** media items in **2024** compared to **3,330** in **2023**, representing an unprecedented increase of **277.69%** ▲.

The FTA’s website received **2.1 million** visitors in **2024**, including **1.9 million** new users, with an average user rating of **2.56%**.

FTA’s Media Outreach

	Traditional Media Articles	Social Media Posts
Federal Tax Authority	6,231	1,636
Value Added Tax (VAT)	3,593	1,564
Corporate Tax	7,382	1,013
Excise Tax	1,602	186

The FTA continued its engagement with the tax community, issuing **354** text messages and emails to registered users in **2024** to raise awareness and keep them informed of the latest updates, compared to **219** messages in **2023**. Additionally, **12** electronic newsletters were published for taxpayers.

A total of **7** media interviews (television and radio) were organized and broadcast with Authority officials to enhance media presence, clarify matters related to the tax system and its developments, and highlight ongoing improvements aimed at increasing customer satisfaction.

As part of its commitment to enhancing digital civic engagement through official government e-participation platforms, the FTA published **3** technical consultations and **5** blog entries on the Sharik.ae platform. These publications addressed strategic themes such as the deployment of the Maskan application, which played a key role in achieving zero bureaucracy. They also covered the Authority’s continued support for small and medium-sized enterprises in easing tax compliance, the positioning of the Zero Bureaucracy Program as a forward-looking initiative to transform procedural frameworks, the extension of corporate tax registration deadlines as part of a responsive regulatory approach, and a detailed overview of innovation-driven initiatives launched during UAE Innovation Month.

As part of its internal communication activities, the Authority carried out **119** media coverages, organized **248** events, and issued **21** internal emails.

FTA’s Engagement Across Social Media Platforms

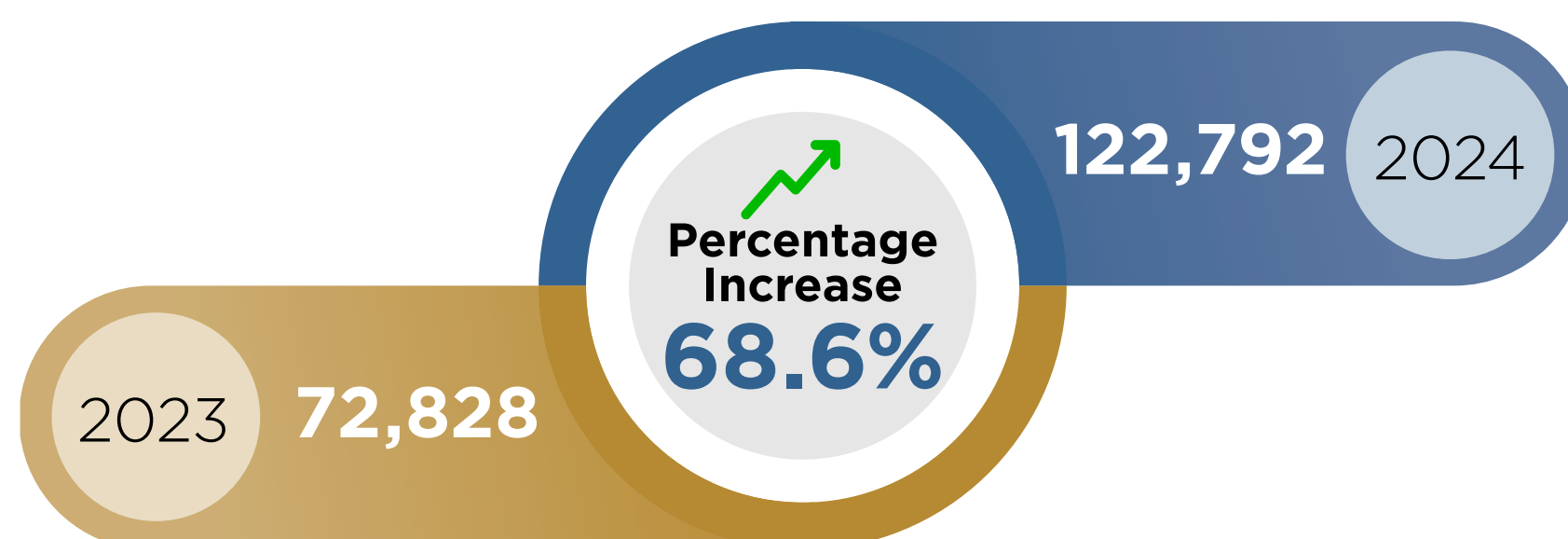


Diversifying Tax Awareness Channels

The FTA continued to enhance its campaigns and diversify its awareness channels to increase the number of beneficiaries across all Emirates and ensure effective outreach to target groups within the tax sector.

A total of **178** diverse tax awareness events, including both in-person and virtual sessions, were conducted in **2024**, benefiting **122.8 thousand** participants. This represents a **68.6%** annual increase compared to **72.83 thousand** participants in **2023**.

Annual Total of Beneficiaries from Tax Awareness Events



This growth in the number of beneficiaries reflects the launch of several new tax services and initiatives in **2024**, which necessitated a broader range of in-person workshops and virtual awareness campaigns.

A wide range of awareness campaigns, programs, and activities were developed using innovative approaches to meet the tax knowledge needs of business sectors and various segments of Emirati society.

The year **2024** witnessed the introduction of several innovative awareness initiatives, including workshops on “Zero Bureaucracy,” a campaign to promote tax culture among university students, and the launch of targeted campaigns such as “Registration Awareness,” “Question & Answer,” “Taxation Residency Certificate (TRC),” and “Compliance Challenges” in collaboration with chambers of commerce across the UAE, in addition to workshops on “Tax Invoicing for Excise Businesses.”



Participant satisfaction with the awareness events organized by the Authority reached **95%** in **2024**, continuing an upward trend compared to **91%** in **2023**, reflecting a **4.4%** increase.

A total of **4 new strategic partnerships** were established, leading to the development and implementation of **13** joint workshops. Additionally, the Authority conducted **39** in-person workshops and **22** focus group sessions.

A total of **70 corporate tax awareness events** were conducted, benefiting **15,713** participants. The second phase of the corporate tax awareness campaign targeting business sectors was also launched. It included a series of virtual and in-person workshops held across all Emirates, with a strong focus on diverse and specialized tax topics tailored to the specific needs of each key stakeholder group involved in the implementation of corporate tax.



A total of **166 virtual and in-person meetings** were held with businesses registered for excise tax to strengthen engagement with the Authority and ensure smooth and effective communication.

7 sessions were held with **520** participants as part of the **“Taxpayer Support”** campaign, during which representatives from the Authority responded to taxpayer inquiries at Tasheel centers across the Emirates.

6 sessions were conducted under the “Customer Councils” initiative, with **66** participants providing feedback and suggestions on the **Authority’s services to help address their needs and expectations**.

4 workshops on Tax Violations and Crimes were conducted via remote visual communication technology, benefiting a total of **692** participants.

6 workshops were held as part of the Authority’s efforts to promote tax awareness among school and university students, benefiting a total of **283** participants.

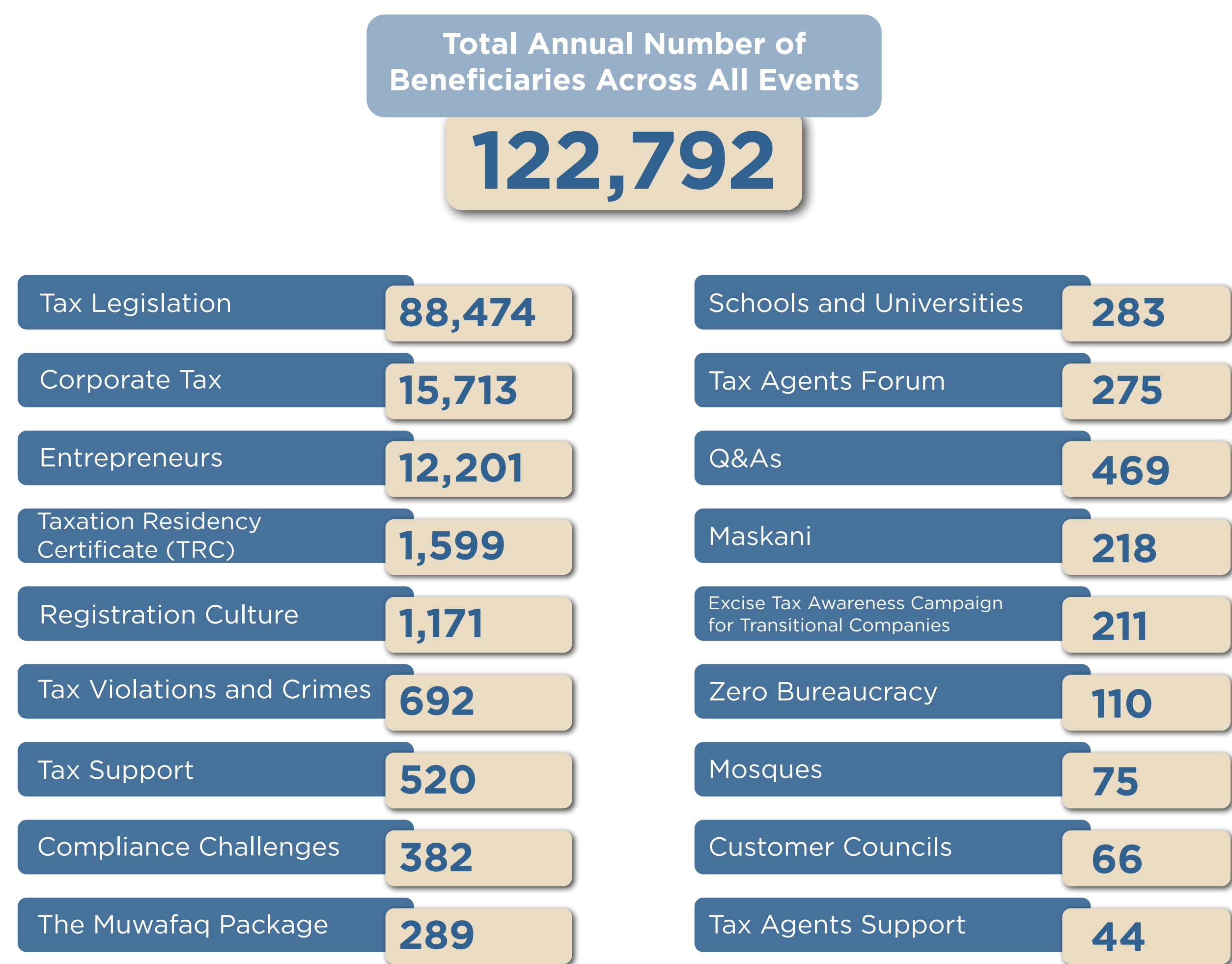
8 workshops were organized with the participation of **218** stakeholders as part of the **“Maskani” campaign** to raise awareness about the VAT refund process for UAE citizens constructing new residences. Furthermore, **3** workshops were conducted for **75** participants to explain the VAT refund procedures related to the construction and operation of mosques.

15 workshops were conducted under the **Entrepreneurship Program**, benefiting **12,201** participants, along with **5** sessions attended by **289** participants to introduce the **“Muwafaq Package”**, aimed at facilitating tax compliance for small and medium-sized enterprises. Additionally, **7** sessions were held to **support tax agents**, including the Tax Agents Forum, which was attended by **319** participants.



The FTA continued to **provide tax-related information through clear and accessible formats** on its website, which offers hundreds of guides for stakeholders in the tax sector, a range of e-learning programs, short educational videos, simplified infographics, and public clarifications including responses to specific inquiries. These resources aim to help stakeholders better understand their tax rights and obligations.

Sectoral Distribution of Beneficiaries from Tax Awareness Events - 2024



Institutional Excellence

A conceptual image featuring a hand with the index finger pointing upwards. The hand is semi-transparent, revealing a blue-toned background. Overlaid on the hand and background are several glowing white arrows pointing upwards, some with yellow-orange tips. Faint, semi-transparent bar charts and line graphs are visible in the background. Numerical data points like 0.9685, 0.23, 0.43, and 0.52 are scattered around. The overall theme is growth, progress, and institutional excellence.

Operational Efficiency and Financial Sustainability

In 2024, the Authority continued to strengthen its operational efficiency and enhance its financial sustainability by applying the highest standards of quality and transparency across its financial and administrative systems. This commitment was reflected in the effective management of resources, growth in self-generated revenues, implementation of targeted audit processes, and the adoption of initiatives aimed at automating operations and reinforcing internal controls.

Financial and Administrative Performance

The Authority reinforced its commitment to maintaining the highest standards of quality and transparency within its financial and administrative frameworks. Efforts focused on ensuring that operational systems across all internal departments and service units receive adequate support. The financial management function was assessed for efficiency, while administrative services were aligned with international best practices. Comprehensive and ongoing audit processes were implemented to verify compliance and support the achievement of operational objectives in accordance with applicable legal and regulatory standards.



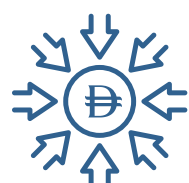
The Authority approved the **2025 fiscal year budget**, with a total value of **AED 681.16 million**.



The FTA successfully covered all its annual expenditure using self-generated revenues, reflecting the continued efficiency of its **cash and deposit** management.



Self-generated revenues increased to AED **782.82 million** in **2024**, compared to AED **656.12 million** in **2023**, representing a growth of **19.31%**. This was achieved through effective **management of financial surpluses**, returns on bank deposits, and service fees collected to offset operating expenses.



Total revenues collected from the **Excise Digital Tax Stamp system** in **2024** amounted to **AED 2.14 billion**.



A total of **236 monthly reports** were prepared to monitor budget execution compliance across all organizational units. Additionally, **4** comprehensive reports were developed to assess the financial position of the Authority and the Corporate Tax project.



The **financial affairs risk register has been continuously updated**, and enhanced control measures have been applied to key procedures and operations to reduce risk levels. Compliance with applicable legislation and regulatory updates issued by relevant authorities has been ensured, with required changes implemented in a timely manner.



Internal audit observations were closed, and action was taken on recommendations from the Internal Audit Office. All financial management requirements were completed, and the business continuity plan for the department was updated in alignment with regulatory changes and legislative requirements.



The FTA achieved **first place** in the **2023 Government Enablers Indicators** and participated in the evaluation process of the Mohammed bin Rashid Government Excellence Award in the categories of overall performance and competitiveness.



High performance was recorded in key strategic indicators, including the Authority's cost-to-revenue ratio and the ratio of projected revenues to actual revenues collected.



Revenue forecasts for 2024 and 2025 were **updated**, and the Authority continued to manage tax revenues and penalties until their allocation. Tax and self-generated revenues were recorded monthly, with a total of **1,177** bank transfers executed through both automated and manual processes.



A **customer satisfaction survey** was conducted regarding the Authority's payment channels. The results indicated a high level of satisfaction, with the majority of respondents selecting "Satisfied" or "Very Satisfied".



20 new accounting entries related to Corporate Tax were introduced into the government chart of accounts, and new bank accounts were opened specifically for the collection of Corporate Tax revenues.



Final distributions of tax revenues for the year 2023 were **completed** in March **2024** in accordance with the timeline set by the Cabinet decision. Preliminary tax revenue distributions for **2024** were also carried out on schedule throughout the year.



4 VAT returns were submitted by the Authority, along with four VAT refund requests, during the year **2024**.



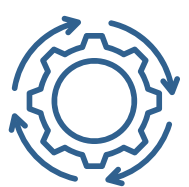
The Authority initiated the **implementation of automated reconciliation processes** within the "**EmaraTax**" system for Corporate Tax and Business Tax. Aging reports for outstanding debts related to Corporate Tax and Business Tax were also launched within the system.



The **financial statements for the Corporate Tax project** for the years **2022** and **2023** were **approved** by the Audit and Risk Committee and the Board of Directors. External audits were completed on schedule, with no material observations reported.



The **FTA's financial statements and final accounts** for the year **2023** were **approved** by the Cabinet. External audits were completed on time with no material observations. Additionally, the financial statements for the first, second, and third quarters of **2024** were approved by the Audit and Risk Committee and the Board of Directors, following timely completion of external audits with no material findings.



The Authority **worked on several projects focused on improving financial management** efficiency. Key initiatives encompassed the automation of financial affairs processes, preparation of the internal budget system, implementation of internal control over financial reporting (ICFR), unification of financial data at the federal government level in coordination with the Ministry of Finance, updating the treasury and cash management policy, development of payment methods in collaboration with Al Etihad Payments, and enhancement of revenue collection through the Magnati digital payment platform.



An **asset management tracking system** was implemented, along with the completion of the design and establishment of the **Contact and Outsourcing Center** in Dubai Outsource City. The FTA also launched an internal support system for administrative affairs with a unified service package, a digital vehicle request system for inspectors, and an electronic system for managing inventory and items in violation of tax regulations.



Full compliance was achieved in **reviewing the annual audit plan**, with **100%** adherence to the submission of periodic reports to senior management and the Audit and Risk Committee. The Authority also completed the awareness plan for internal audit and corporate fraud concepts, analyzed and investigated fraud reports, conducted the annual quality assessment of the Internal Audit Office in accordance with international standards, delivered advisory services related to internal audit, and implemented all internal audit-related resolutions issued by the Audit and Risk Committee.



The compliance rate with the **internal audit plan approved by senior management** reached **88%**, while the compliance rate of organizational units in closing internal audit findings stood at **78%**.



Implementation began on two key projects: **the Automation of Internal Audit Office Operations**, and the **Activation of the anti-fraud framework along with fraud risk assessment**.



The project to **automate all legal affairs operations within the Authority** was initiated. Additionally, the Tax Disputes Department was recognized as the Best Functional Task Completion Team for **2024**.

Financial and Administrative Achievements



AED million **681.16**

Total approved budget allocation for the Authority for the fiscal year **2025**.



AED million **782.82**

Total self-generated revenue achieved by the Authority in **2024**, representing a year-over-year growth rate of **19.31%**.



236 Monthly Compliance Reports

Prepared to monitor the adherence of organizational units to budget implementation requirements.



4 Comprehensive Financial Reports

Prepared detailing the financial position of the Authority and progress on the Corporate Tax project.



3 Prestigious Awards

Obtained from the Chartered Institute of Procurement & Supply (CIPS).



100% Compliance

Achieved in executing the annual audit plan, conducting analysis of corporate fraud reports, and performing the annual internal audit quality assessment.

Human Capital Supporting Leadership in the Tax Sector

The FTA solidified its position in **institutional excellence and competitiveness** through ongoing plans aimed at developing its human resources. Initiatives included specialized training programs, academic development encouragement, fostering innovation and professional creativity, and enhancing the skills and competencies of its workforce.

A Memorandum of Understanding (MoU) was signed with the **Emirates Institute of Finance** to train **300** UAE nationals in taxation. This initiative aims to strengthen tax compliance, enhance tax administration aligned with best governance and transparency practices, and open new avenues for qualifying national talent for various career opportunities within the tax sector and related fields. Additionally, it aims to raise awareness and reinforce tax culture among sector employees.

The FTA signed **4 cooperation agreements** with 'O1Gov' Platform, the American University of Sharjah, the Emirates Institute of Finance, and ADGM Academy.

In **2024**, the Authority recruited and appointed **168 new employees** across specialized, technical, and administrative roles, and conducted over **2,000** job interviews.

The FTA received the “**Great Place to Work**” certification from the Great Place to Work Institute, recognizing its efforts in fostering a positive work environment in alignment with international best practices.



23 specialized training programs were conducted, involving **162** Authority employees and delivering a total of **28,800** training hours to enhance skills and competencies.



Over **44** supervisory and leadership-level employees participated in the Leadership Development Program, while **21** new employees completed Level **1** of the **Tax Cadre Qualification** Program.

Initiatives such as the **Corporate Culture Development** Project and the **Tax Cadre Professionals initiative** were launched to cultivate a new generation of specialists within the UAE tax sector.

Efforts commenced to **automate recruitment processes** and launch a direct-access portal for onboarding new employees.

Various **training and development initiatives** were implemented, including the “Ambition” Program, LinkedIn Learning platform, “Hayyak” Program, mentoring programs, knowledge transfer objectives, and train-the-trainer initiatives.

7 workshops were held focusing on **institutional and professional excellence** to enhance corporate culture, build employee capacities, and increase awareness.

14 internal training workshops attended by **353** employees were conducted to promote corporate risk management and business continuity culture. Additionally, introductory sessions were held to familiarize new employees with the strategic plan, leadership, and competitiveness concepts.

3 performance management workshops were conducted, covering system training for performance leaders, workshops on approved service formulas, and the publication of **9** internal newsletters designed to raise employee awareness of strategic planning concepts.

Continuous Development of Human Capabilities



300 UAE Nationals

trained as tax agents under an MoU with the Emirates Institute of Finance.



168 New Employees

recruited in specialized, technical, and administrative roles in **2024**.



23 Specialized Training Programs

conducted, involving **162** Authority employees.



28.8K Total Training Hours

delivered for professional development.



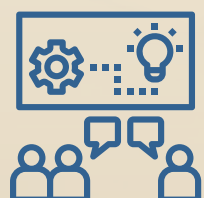
3 Awards

received by the Authority at the GCC Government and Human Resources Summit for achievements in human resource development.



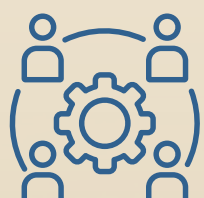
44 Supervisory-Level Employees

participated in leadership development programs.



7 Workshops

held to enhance corporate culture, build capabilities, and raise awareness.



353 Employees

attended **14** training sessions focused on corporate risk management and business continuity.

Acknowledgment and Appreciation

The Federal Tax Authority proudly recognizes the continued support of the UAE's wise leadership. Their guidance has shaped our direction and empowered us to deliver lasting impact. We extend our sincere thanks to our strategic partners across government and industry. Their collaboration has been a catalyst for innovation, resilience, and shared success.

To our dedicated team, we offer deep appreciation. Their professionalism, integrity, and tireless effort continue to drive the Authority's progress and set new standards of excellence.

We are equally grateful to our clients. Their trust reinforces our mission and inspires us to grow, improve, and lead with greater responsibility.

Looking ahead, we remain committed to building an agile, transparent, and future-ready tax ecosystem that supports national development and contributes to the UAE's bold economic vision.

