



This is not an official Translation:

Criteria to be Followed in the Determination of Parts and Pieces of Electronic Devices

Ministerial Decision No. 262 of 2023

Issued 25 Oct 2023 – (Effective from 30 Oct 2023)

Minister of State for Financial Affairs has decided:

- Having reviewed the Constitution,
- Federal Law No. 1 of 1972 on the Competencies of Ministries and Powers of the Ministers, and its amendments,
- Federal Decree-Law No. 13 of 2016 on the Establishment of the Federal Tax Authority, and its amendments,
- Federal Decree-Law No. 28 of 2022 on Tax Procedures,
- Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments,
- Cabinet Decision No. 52 of 2017 on Executive Regulation of the Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments, and
- Cabinet Decision No. 91 of 2023 on the Application of the Reverse Charge Mechanism on Electronic Devices among Registrants in the State for the purposes of Value Added Tax.

Article 1 – Definitions

The definitions of the Federal-Decree Law No. 8 of 2017 and Cabinet Decision No. 91 of 2023 referred to above shall apply to this Decision, in addition the following words and expressions shall have the meanings assigned against each, unless the context otherwise requires:

Executive Regulation : Cabinet Decision No. 52 of 2017 on Executive Regulation of the Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments.



Pieces and Parts : Pieces and Parts related to Electronic Devices.
Parts

Article 2 – Scope of this Decision

This Decision specifies the criteria that should be followed in determining the Pieces and Parts related to Electronic Devices, in accordance with the provisions of the Cabinet Decision No. 91 of 2023 referred to above.

Article 3 – Criteria for Determining Pieces and Parts related to Electronic Devices

1. Pieces and Parts are considered related to Electronic Devices, if the Pieces and Parts meet any of the following criteria:
 - a. Pieces and Parts that are normally used for the manufacturing or production of Electronic Devices, and are considered necessary for the normal operation of the Electronic Devices.
 - b. Pieces and Parts that are not normally used for the manufacturing or production of Electronic Devices, but are normally necessary for the operation of the Electronic Devices, such as chargers, power cords, battery packs and other similar Pieces and Parts.
 - c. Pieces and Parts that are a replacement for Pieces and Parts that meet the criteria in paragraphs (a) and (b) of Clause 1 of this Article.
2. Notwithstanding the provisions of Clause 1 of this Article, the criteria in Clause 1 of this Article shall not be considered to be met in any of the following cases:
 - a. Pieces and Parts that enhance the functioning or enjoyment of Electronic Devices, but are not necessary for the Electronic Devices' operation or to activate their features.
 - b. SIM cards or other external smart cards of the same nature or with the same purpose.



Article 4 – Publication and Enforcement

This Decision shall be published in the Official Gazette and shall come into force on the date Cabinet Decision No. 91 of 2023 referred to above comes into force.