

# inBrief



## UAE VAT Designated Zones Defined

By Bashir Ahmed and Vivek Agrawalla | 11 January 2018

The UAE Ministry of Finance has released Cabinet decision No. 59 of 2017 specifying all Designated Zones to be effective from 1 January 2018 for the purposes of implementing the Designated Zone provisions in Federal Decree Law No 8 of 2017 on Value Added Tax.

The Cabinet has the authority to amend the list of Designated Zones as required.

A Designated Zone is required to be a specific fenced area with security measures and Customs controls in place to monitor entry and exit of individuals and the movement of goods to and from the area.

Concessional VAT treatment may be available for transactions involving the supply of physical goods within Designated Zones. No VAT concessions are available for transactions involving the supply of services within Designated Zones.

The list of Designated Zones for UAE VAT purposes are as follows:

### No. Designated Zones (Abu Dhabi)

1. Free Trade Zone of Khalifa Port
2. Abu Dhabi Airport Free Zone
3. Khalifa Industrial Zone

### No. Designated Zones (Dubai)

1. Jebel Ali Free Zone (North-South)
2. Dubai Cars and Automotive Zone (DUCAMZ)
3. Dubai Textile City
4. Free Zone Area in Al Quoz
5. Free Zone Area in Al Qusais
6. Dubai Aviation City
7. Dubai Airport Free Zone

### No. Designated Zones (Sharjah)

1. Hamriyah Free Zone
2. Sharjah Airport International Free Zone

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**No. Designated Zones (Ajman)**

1. Ajman Free Zone

**No. Designated Zones (Umm Al Quwain)**

1. Umm Al Quwain Free Trade Zone in Ahmed Bin Rashid Port
2. Umm Al Quwain Free Trade Zone on Sheikh Monhammed Bin Zayed Road

**No. Designated Zones (Ras Al Khaimah)**

1. RAK Free Trade Zone
2. RAK Maritime City Free Zone
3. RAK Airport Free Zone

**No. Designated Zones (Fujairah)**

1. Fujairah Free Zone
2. FOIZ (Fujairah Oil Industry Zone)

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