



## Will your systems be able to provide you the correct information required to file your VAT return?

Most companies in the UAE who are registered for VAT have now completed their first quarter and would be required to file their VAT returns before April 28.

Companies across the industries who spent adequate time and resources analyzing the impact of VAT on their businesses and followed a clear implementation plan would be well equipped to file their initial VAT returns. For the rest it would be a week of chaos having to collect the information required to file the returns before the stipulated dead-lines.

Businesses should by now have gained a clear understanding of both, the process of completing the online forms on the FTA portal and also be clear of what information is required under each category.

For example standard rated supplies shall be reported by Emirate. Therefore businesses supplying goods through sales outlets and delivery would need to understand the concept of the place of supply. Your ERP system should also be able to provide this information for VAT compliant bookkeeping.

### Key areas for business to consider

The VAT Return must be received by the FTA no later than the **28th day** following the end of the Tax Period concerned or by such other date as directed by the FTA. Where a payment is due to the FTA, it must be **received** by the FTA by the same deadline.

For each Tax Period, a Taxable Person will be required to submit a VAT Return which contains details regarding the supplies made or received by the Taxable Person.

### Reporting requirements for Output VAT

1. Supplies of goods and services made which are subject to the standard rate of VAT per Emirate;
2. Tax refunds you have provided to tourists under the Tax Refunds for Tourists Scheme, if you are a retailer.
3. Provide tax refunds to tourists in the UAE under the official tourists refund scheme;
4. Supplies of goods and services received by the Taxable Person which are subject to the reverse charge provisions;
5. Supplies of goods and services made which are subject to the zero rate of VAT;
6. Supplies made which are exempt from VAT;
7. Goods imported into the UAE and have been declared through UAE customs;;
8. Adjustments to goods imported into the UAE and which have been declared through UAE Customs.

### Reporting requirements for Input VAT

1. Purchases and expenses that were subject to the standard rate of VAT and for which you would like to recover VAT.
2. Any supplies which were subject to the reverse charge for which you would like to recover input tax.



The amounts of VAT charged and input tax recoverable by the Taxable Person would then need to be netted off in the Tax Return. The resulting amount is the net VAT payable to, or to be refunded by, the FTA (i.e. the net VAT position).

## How to File VAT Returns In The UAE

As the VAT returns have to be filed online, all businesses need to be familiar with how the process for VAT filing works online. So the very first step is to opening and logging in to the FTA portal. Therefore every Taxable Person has received his unique TIN and Password for the platform upon registration.

Open the [FTA portal](#).

<https://eservices.tax.gov.ae/en-us/login?returnurl=%2far-ae%2fuser%2fdashboard>

Eight easy steps to followed:

1. Go to the portals “e-services” section. Then click the return filing option.
2. Log in to the FTA eService portal by using TIN and password.
3. Fill in the VAT return template. Therefore you will need all the details about your first quarter like: transactions, tax liability, penalties. This also includes all the details of sales and all expenses as well as other outputs.
4. These required documents then need to be uploaded.
5. Complete: 1. The net amounts excluding VAT and 2.The VAT amount
6. We advise you to review all the information entered on the form. Make sure you completed all the mandatory fields.
7. As soon as all the required information is submitted and double checked click the “Submit” button.
8. The last step will be the payment. Simply go to the “My Payments” tab and you’re your outstanding VAT payment.

If you are concerned that you may be facing a challenge or overlooking a potential risk, or have a particular VAT issue on your mind, our team of VAT specialists will be glad to help you. Please contact us on 04 324 0803 or [info@magas.ae](mailto:info@magas.ae) for more information.