



**Tax Alert on Timelines for Tax
Compliance Requirements for Qualifying
Investment Funds and Investors
Effective 1 January 2025**



FTA Decision No. 8 of 2025 on Timelines for Tax Compliance Requirements for Qualifying Investment Funds and Investors

The UAE Federal Tax Authority has issued Federal Tax Authority Decision No. 8 of 2025, determining the timelines for corporate tax compliance requirements relating to Qualifying Investment Funds (QIFs), Real Estate Investment Trusts (REITs), and their investors.

The Decision applies to Tax Periods commencing on or after 1 January 2025.

In our current tax alert, we are primarily highlighting these requirements

1. Registration Requirements for Investors in QIFs / REITs

Foreign juridical persons that have a nexus in the UAE under Cabinet Decision No. 35 of 2025 must comply with specific registration deadlines:

Nexus under Clause 2: Must submit a Tax Registration application within 3 months from the end of the Financial Year in which the nexus was established.

Nexus under Clause 3: Must submit a Tax Registration application within 12 months from the end of the Financial Year of the fund.

2. Annual Declaration for Exempt Persons

A QIF or REIT classified as an Exempt Person must submit an annual declaration confirming continued fulfilment of exemption conditions within 10 months from the end of its Financial Year.

3. Corporate Tax Return Filing and Payments

Where an investor is required to adjust taxable income in accordance with Cabinet Decision No. 34 of 2025, the following timelines apply:

When Returns need to be filed

- ✓ The Corporate Tax Return must be filed within the later of:
 - 12 months from the end of the fund's Financial Year; or
 - 9 months from the end of the investor's Tax Period.
- ✓ Corporate Tax payment must also be settled within the later of these same two periods.

This encourages timely filings and reduces the risk of penalties and disputes.

4. Notification of Taxable Person Status

Who is eligible for complying with the notification

A juridical person that:

- ✓ was previously considered a Taxable Person solely due to nexus, and
- ✓ is not a Taxable Person for the relevant Financial Year, must notify the FTA within the later of:
 - 12 months from the end of the fund's Financial Year; or
 - 9 months from the end of its own Financial Year.

5. Deregistration

A juridical person must apply for tax deregistration if it:

- ✓ ceases to have a nexus in the UAE,
- ✓ is not a Taxable Person, and
- ✓ has held no ownership interest in a QIF/REIT (that is an Exempt Person) for 12 continuous months.

The deregistration application must be filed within 3 months after the end of the 12-month period.

6. Key Compliance Timelines

Category	Trigger Event	Compliance Deadline
Investor with nexus under Clause 3 (Cabinet Decision No. 35 of 2025)	End of fund's financial year	12 months from financial year end
Investor with nexus under Clause 2 (Cabinet Decision No. 35 of 2025)	Nexus arises during fund's financial year	3 months from end of financial year in which nexus is established
Corporate Tax Return Filing	Adjustment of taxable income applies	Later of: 12 months from fund's financial year or 9 months from investor's tax period
Corporate Tax Payment	Same as above	Later of: 12 months from fund's financial year or 9 months from investor's tax period
QIF information – Clause 2 adjustments	Financial year end	6 months from financial year end
QIF/REIT Information – 80% distribution notifications (Clause 5/Clause 3)	Financial year-end	9 months from financial year end
Exempt Person annual declaration (QIF/REIT)	Financial year-end	10 months from financial year end
Notification of change in Taxable Person's status	Person no longer taxable	Later of: 12 months from fund's financial year or 9 months from person's tax period
De-registration	No nexus and no ownership interest for 12 months	3 months after the 12 month period

These timelines improve transparency and legal certainty for taxpayers.

What Businesses Should Do Now

Given the breadth of these regulations, taxpayers should proactively strengthen their tax governance frameworks.

- ✓ *Assess whether any investors or structures trigger nexus in the UAE.*
- ✓ *Confirm QIF/REIT status and identify investors impacted by income adjustment rules.*
- ✓ *Track compliance deadlines and implement internal monitoring processes.*
- ✓ *Ensure systems can generate and share required data with investors on time.*
- ✓ *Review whether deregistration or notification requirements may apply.*

ACQUISORY COMMENT

This Decision reinforces the UAE's emphasis on structured compliance and timely reporting for investment vehicles and their investors. While the Decision largely clarifies procedural timelines, the practical impact is significant, particularly for foreign investors and fund managers who must now align internal processes, financial reporting cycles and information flows with the prescribed deadlines.

Our GCC practice Tax Practice is well-placed to assist clients in reviewing their current compliance frameworks and ensuring they remain aligned with the FTA's expectations.

Dubai

Office 604, Bay Square 11, Business Bay,
P.O. Box: 118767, Dubai, UAE

T: + 971 4576 5098

 GCC@acquisory.com

Delhi-NCR

1116, 11th Floor, WTT, C-1,
Sector 16, DND Flyway,
Noida – 201301

T: +91 120 614 300

Fax: +91 120 6143033

 info@acquisory.com

Mumbai

102, 1st Floor, Naman Centre, BKC,
Near MMRDA Parking, Bandra East,
Mumbai City, Maharashtra, 400051

T: +91 22 68648100

Fax: +91 22 68648132

Bengaluru

Unit 1003-1004, 10th Floor,
Prestige Meridian - II,
Mahatma Gandhi Rd,
Ashok Nagar, Bengaluru,
Karnataka, 560025