

DID YOU KNOW?

UAE EXCISE DESIGNATED ZONE (DZ) RENEWAL

Excise DZ registrations must be renewed annually - If DZ registration is not renewed, the registration may expire, and the DZ status will be lost. If the status is lost, all excise goods available in the excise DZ would be considered as released for consumption, triggering excise tax liability.

Below, we have outlined certain noteworthy points for the excise DZ registration, which was effective from October 2017 or from October of any subsequent years.

- ▶ DZ registrations shall be due for renewal on/before the 12-month anniversary of the current registration. 30 days before the renewal of a DZ is due, the Online User account associated with that Warehouse Keeper and DZ will be notified via email about the upcoming renewal.
- ▶ Following two steps must be completed to ensure the DZ registration is renewed:
 - 1) Amendment of DZ registration application, where the details in the “Valuation and Financial Security” section must be submitted.
 - 2) Payment of the renewal fee amount of AED 2,000.
- ▶ DZ renewal notification is sent 30 days prior to the due date of the DZ renewal, it is of immense importance that the required documents and workings for the DZ renewal should be prepared now to avoid last-minute hustle.
- ▶ It is recommended that DZs begin preparing the necessary documentation for DZ renewal early, as gathering stock-wise information may take considerable time.
- ▶ Additionally, there may be requirements to update financial guarantee, in case FTA requires additional financial guarantee, the same should be submitted within 20 business days from the date when the FTA has requested additional financial guarantee.

Feel free to reach out to our experts for any support related to Excise DZ renewals.

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