

Dubai Custom and UAE VAT Update on Indirect Exports

On a report issued on 17 March 2021, new Export Mechanism in coordination with FTA is issued by Dubai Customs

Problem Faced by Traders in Dubai:

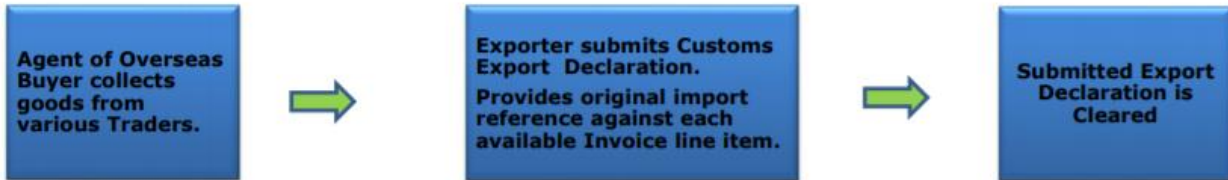
- Traders pay VAT when goods are imported into local market.
- These goods are then sold in local market to overseas buyers.
- Overseas Buyers' arrange Export Agent to collect goods from different sellers and submits a single 'Export' Declaration. Export declaration has single Exporter Business Code and Name.
- Exporter arranges with original Importer to provide Exit Certificate upon Export for purpose of VAT Refund. Export declaration does not mention each original Importer names. This results in non-approval of VAT Refund to original Importer by FTA even after submitting details of Export Declaration and Exit Certificate.
- FTA is unable to refund VAT in the absence of Importer Name and Import Declaration details between original Imports and subsequent Exports.

What is the new system?

- A new Service called "Export Verification Report" will be introduced on 26th March 2021 by Dubai Customs on Dubai Trade Portal for VAT refund against the Cleared Export Declaration for the maximum period of 3months.
- Customs Bureau Officers ,FTA users ,Importers and Authorized Customs Brokers can generate "Export Verification Report" if the Exporter has mentioned valid M2 Import Declaration No. in Export Declaration and Importer has a Tax Registration Number [TRN].
- Provide an option in Export Declaration to mention valid M2 original Import Declaration No. as a reference [Previous Declaration Number]. VAT refund can be claimed only if Previous Declaration Number is provided in the Export Declaration
- Importers and Authorized Customs Brokers can login to Dubai Trade Portal:
 - "Generate VAT Export Report"
 - "Search VAT Export Report", View and Download the existing reports
- FTA and Customs Bureau Officer can generate Consolidated "Export Verification Report" of all importers under single Tax Registration Number [TRN] which is associated with multiple Business codes.

PROCESS FOR EXPORT VERIFICATION REPORT

AS-IS EXPORT PROCESS



NEW PROCESS FOR EXPORT VERIFICATION REPORT



EXPORT VERIFICATION REPORT BASED ON SINGLE IMPORTER CODE

This report can be generated by Importers, Authorized Customs Brokers, FTA and Customs Bureau Officers

Export Verification Report for VAT			
Export Verification Report No.:	1224439_0101150321_1	Export Verification Date:	15-03-2021
Importer TRN #:	100025424700003	Importer Code & Name:	AE-1224439 Al-Jamal General Trading Company
Report Period From:	01-01-2021	Report Period To:	15-03-2021

Import Details											Export Details											Agent Details				
Declaration Number	Declaration Date	Invoice No	Item No.	HS Code	Goods Description	Weight	Weight Unit	Import Quantity	Qty UoM	CF Value (AED)	Duty (AED)	Declaration Number	Declaration Date	Declaration Status	Invoice No.	Item No.	HS Code	Goods Description	Weight	Weight Unit	Export Quantity	Qty UoM	Export CF Value (AED)	Destination Country	Name of Agents / Freight Forwarders (Exporter Code & Name)	Business TRN# (Exporter TRN#)
1010012234021	15-03-2021	R112032 02102	1	844339 90	100 Units of EPSON Xerox cum Printers	1400.98	kg	100	u	209800	14990	2010005414121	15-03-2021	Cleared	R115032 021	2	84433990	Printers and xerox machines	123.45	kg	35	u	25000	INDIA	AE-1223339-RED ENTERTAINMENT DISTRIBUTION FZCO VIKRAM	1000030028 00003
1010012234021	15-03-2021											2010005414221	15-03-2021	Cleared	R114032 021	2	84433990	Printers and xerox machines	123.45	kg	23	u	15600	INDIA	AE-1223339-RED ENTERTAINMENT DISTRIBUTION FZCO VIKRAM	1000030028 00003
1010012235021	15-03-2021	R115032 02101	1	844331 00	65 Units of Epson with Fax facility along with Print and Xerox	690.98	kg	65	u	210900	2109	2010005413921	15-03-2021	Cleared	R115032 021	1	84433100	printers	124.5	kg	10	u	14200	INDIA	AE-1222824-Dee Business	1000030028 00003
1010012235021	15-03-2021											2010005414021	15-03-2021	Cleared	R115032 021	1	84433100	printers	248.5	kg	25	u	24200	INDIA	AE-1223150-Barvel Dubai LLC and MicroData Trading Co. L.L.C and Al Humaidi & Co. (DIB) and Shatan Clearing &	1000030028 00003

* No Inventory Balances and no HS Code level linking



Export Verification
T: 1224439 01011503



CONSOLIDATED EXPORT VERIFICATION REPORT BASED ON VAT TAX REGISTRATION NUMBER (TRN)



This report can be generated by FTA and Customs Bureau Officers by entering TRN number and selecting the multiple Importers (if single TRN is associated with multiple Business codes)

Export Verification Report for VAT																								
Export Verification Report No.: Multiple										Export Verification Date: Multiple														
Importer TRN #: 190025424700003										Importer Code & Name: Multiple														
Report Period From: 01-01-2021										Report Period To: 15-03-2021														

Import Details													Export Details										Agent Details						
Export Verification Report No	Export Verification Date	Importer Code & Name	Declaration Number	Declaration Date	Invoice No	Item No.	HS Code	Goods Description	Weight	Weight Unit	Import Quantity	Qty UoM	CIF Value (AED)	Duty (AED)	Declaration Number	Declaration Date	Declaration Status	Invoice No	Item No.	HS Code	Goods Description	Weight	Weight Unit	Export Quantity	Qty UoM	CIF Value (AED)	Destination Country	Name of Agents / Freight Forwarders (Exporter Code & Name)	Business TRN# (Exporter TRN#)
1224440_01011_50321_1	16-03-2021	AE-1224440 The Jamal Group General Trading L.L.C	1010012235121	15-03-2021	N/1403 20221	1	04151 000	1 ton split AC	490.98	kg	40	u	99479.11	4973.956	2010005414321	15-03-2021	Cleared	AD15032021	2	0415 1000	AC units	123.45	kg	35	u	5900	INDIA	AE-1223036-RED ENTERTAINMENT DISTRIBUTION FZCO VIKRAM	100003002800003
1224440_01011_50321_1	16-03-2021	AE-1224440 The Jamal Group General Trading L.L.C	1010012235121	15-03-2021										2010005414421	15-03-2021	Cleared	IN15032021	2	0415 1000	Ac units	1223.45	kg	10	u	19800	INDIA	AE-1223289-Kannan Trading	100000351800003	

* No Inventory Balances and no HS Code level linking



If you would like to discuss any VAT matters, please drop us an email at info@premier-brains.com or call us at + 971 4 3542959.

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- Tax Agency with FTA
- Tax Advisory
- Business valuations
- Feasibility Studies
- Business Accounts Outsourcing Services

- Fund raising and restructuring
- JAFZA Offshore agents
- Company incorporations (under group entities)