

Voluntary Disclosure Guide for VAT and Excise Tax

In February 2022, UAE's Federal Tax Authority (FTA) has published amendments on the voluntary disclosure user guide for VAT and Excise Tax. The updates in the guide aims to provide an overview of the complete voluntary disclosure application process for active and de-registered tax groups.

A voluntary disclosure should be made by a taxpayer to notify the FTA of an error or omission in a tax return, tax assessment or tax refund application

Conditions for Filing a Voluntary Disclosure:

A voluntary disclosure can be submitted in the following specific scenarios:

- Where a filed tax return or a tax assessment is incorrect resulting in underpaid tax amounts to more than AED 10,000;
- Where a filed tax return or a tax assessment is incorrect resulting in underpaid tax amount of less than AED 10,000 and there is no VAT return through which the error can be corrected;
- Where a filed tax refund application is incorrect resulting to a refund amount more than what the taxpayer should be entitled.

Due date of Filing a Voluntary Disclosure:

The below table shows the time limits for filing voluntary disclosure:

Change in Calculation of Tax Payable as a result of error	Consequences	Time Limit
More than AED 10,000	File Voluntary Disclosure	20 Business Days from the date of becoming aware of the error
Less than AED 10,000	Correct the error in the Tax Return period in which error has been discovered	Due date of Submission of respective return
Less than AED 10,000	If there is no return through which error can be corrected the Tax payer must file a voluntary disclosure	20 Business Days from the date of becoming aware of the error



Voluntary Disclosure for Tax Groups

Voluntary disclosures for Tax Group must be submitted by the representative member of the tax group or the last representative member before the tax group was deregistered.

How to submit a Voluntary Disclosure for Tax Groups

SCENARIO	ACTIVE TAX GROUP	DEREGISTERED TAX GROUP
Against a VAT return filed	<p>Go to the “VAT201- VAT returns for Tax Groups” tab in the VAT section.</p> <p>Click on the “Submit Voluntary Disclosure” button on the row of the VAT return against which Voluntary Disclosure should be submitted.</p>	<p>Go to the “VAT211- VAT returns for Tax Groups” tab in the VAT section.</p> <p>Select the TRN of the deregistered tax group from the drop down.</p> <p>Click on the “Submit Voluntary Disclosure” button on the row of the VAT return.</p>
Against an Acknowledged Voluntary Disclosure	<p>Go to the “VAT211- Tax Group VAT Voluntary Disclosure/Tax Assessment” tab in the VAT section.</p> <p>Click on the “Submit Voluntary Disclosure” button on the row of the Acknowledged Voluntary Disclosure against another Voluntary Disclosure should be submitted</p>	<p>Go to the “De-registered Tax Group Voluntary Disclosure” section.</p> <p>Click on the “Submit Voluntary Disclosure” button.</p>
Against a VAT Tax Assessment	<p>Go to the “VAT211- Tax Group VAT Voluntary Disclosure/Tax Assessment” tab in the VAT section and scroll down to the Tax Assessment section.</p> <p>Click on the “Submit Voluntary Disclosure” button on the row of the Tax Assessment against which the Voluntary Disclosure needs to be submitted.</p>	<p>Go to the “De-registered Tax Group Tax Assessment” section.</p> <p>Click on the “Submit Voluntary Disclosure” button.</p>





How to fill in the Voluntary Disclosure form

- The details of the taxable person and the VAT return period for which Voluntary Disclosure is being filed against are already pre-populated.
- Date on which the error is identified should be indicated. In case of multiple errors, date on which the first error is found should be used.

Taxable Person Details

TRN
100339151100003

Taxable Person Name (English)
TestUser2

Taxable Person Name (Arabic)
22

Taxable Person Address
TestUser2, TestUser2,
TestUser,
Sharjah, United Arab Emirates,
3245234242, +9715465465466

VAT Return Period

VAT Return Period*
01/02/2018 - 28/02/2018

VAT Return Due Date
28/03/2018

Tax Year End*
31 December 2018

Voluntary Disclosure Reference Number* ⓘ
VD01 - 02 - 2018

Date on which the error was identified*
01/09/2019



- The Voluntary Disclosure is divided into two sections:
 - As Reported: These are pre-populated amounts which are the figures disclosed in the latest VAT return, Voluntary Disclosure or Tax Assessment
 - As Current: the corrected values for each box; these values should be the total values that should have been reported for that period and not the error amounts.

VAT on Sales and All Other Outputs

The 'As Reported' field indicates the amount that has been disclosed for each box in the latest tax return, Voluntary Disclosure or Tax Assessment.

The 'As Current' field is populated with the respective 'As Reported' amount. You should amend the 'As Current' field in the case that the error you are correcting affects this specific box of the tax return and indicate the new total amount to be disclosed for this specific box. This amount should be the 'As Reported' amount including the error amount for each field and should represent the total correct amount that should be included in your tax return and not the error amount. If there were no errors in a field, the amount should remain the same as the 'As Reported' amount.

			Amount (AED) ⓘ	VAT Amount (AED) ⓘ	Adjustment (AED) ⓘ
1a Standard rated supplies in Abu Dhabi *	As Reported		0.00	0.00	0.00
	As Current		0.00	0.00	- 0.00
1b Standard rated supplies in Dubai *	As Reported		0.00	-100000.00	0.00
	As Current		0.00	-100000.00	- 0.00
1c Standard rated supplies in Sharjah *	As Reported		0.00	0.00	0.00
	As Current		0.00	0.00	- 0.00
1d Standard rated supplies in Ajman *	As Reported		0.00	0.00	0.00
	As Current		0.00	0.00	- 0.00
1e Standard rated supplies in Umm Al Quwain *	As Reported		0.00	0.00	0.00
	As Current		0.00	0.00	- 0.00
1f Standard rated supplies in Ras Al Khaimah *	As Reported		0.00	0.00	0.00



- A letter providing background facts, reasons for the Voluntary Disclosure, detailed description of the error(s) disclosed in the Voluntary Disclosure form, the error(s) disclosed as well as the impact on the relevant sections/boxes of the return must be uploaded.

The screenshot shows a section titled "Supporting Documentation". Below the title is a light blue instruction box: "Please upload a letter which would provide the background facts and a detailed description of the error(s) disclosed in this Voluntary Disclosure Form. This letter should also indicate the reasons for the Voluntary Disclosure and the errors disclosed as well as the impact on the relevant sections/boxes of the tax return." Below this is a form field labeled "Supporting Documentation*" with an information icon. To the right of the field is a "Choose files to upload" button and a "Choose Files" button.

- The details of the Authorized signatory are pre-populated and must be reviewed as well as the declaration.

The screenshot shows a form titled "Declaration and Authorized Signatory". It contains several input fields: "Name in English" (pre-filled with "Demo"), "Name in Arabic" (pre-filled with "عروض"), "Phone/Mobile country code" (pre-filled with "United Arab Emirates (+971)"), "Phone/Mobile number" (pre-filled with "5676575756"), "Date of submission (dd/mm/yyyy)" (pre-filled with "30/05/2018"), and "E-mail address*" (pre-filled with "demo@email.com"). At the bottom, there is a checkbox with the text: "I declare that all information provided is true, accurate and complete to the best of my knowledge and belief."

- Once all information in the Voluntary Disclosure form is filled out, click on the 'Submit' button at the bottom right-hand corner of the portal.

The screenshot shows a horizontal bar with three buttons: "Cancel" with a close icon, "Save as draft" with a save icon, and "Submit" with a right arrow icon.

Payment of dues

- The last representative member of a deregistered tax group can make the payments related to the liabilities created from the Voluntary Disclosures applied in the “VAT211 – Deregistered Tax Group Payments” tab in the VAT section.



- TRN of the deregistered tax group against which payment needs to be made for should be selected from the drop down. The total outstanding liabilities will be available and the member can enter the amount they wish to pay.

A form titled 'VAT 211- De-registered Tax Group Payments'. It contains a label 'Select De-Registered Tax Group TRN' above a dropdown menu with the text 'Please select' and a downward arrow. To the right of the dropdown is a 'Show Details' button.A form titled 'Taxgroup & Penalty Payment'. It features a blue informational box with text: 'Please note that the amount does not include the Tax Payable as per Voluntary Disclosure(s) under "Reserved" / "Resumid" status which should be taken into consideration while calculating the outstanding payable tax.' Below this is a green bar displaying 'Total Outstanding Liability 7,402.00 AED'. At the bottom, there is a label 'Enter amount you want to pay*' above an input field containing '0' and a 'Make Payment' button.