

DUBAI

1. Company law:	<p>The UAE has federal legislation governing companies (Federal Law No. 8 of 1984 as amended) and each of the UAE's emirates has numerous free zones with their own separate rules, regulations and company types. For example, Dubai alone has over 20 different free zones and each of the UAE's emirates has numerous free zones with their own separate rules.</p>
2. Types of company:	<p>(a) Type of company preferred for international transactions: The Dubai "offshore" company is the Jebel Ali Offshore company. To make use of tax treaties, you must have an "onshore" UAE company with a local trade licence (and office space). The Free Trade Zones can also be used for this purpose (as well as the local 51% owned LLCs formed at the Dubai Economic Department). The Dubai "offshore" company is the Jebel Ali Offshore Company.</p> <p>(b) Shareless companies: Onshore partnerships may be formed.</p>
3. Capital requirements:	<p>This depends entirely on the type of entity and location (free zone or otherwise). Capital requirements for many onshore companies have been abolished, however, for free zone onshore companies capital requirements can range from AED300 to AED50,000 depending on the activity of the company (and therefore its licence type) but the capital does not need to be retained.</p>
4. Costs to incorporate, excluding government fees:	<p>A Jebel Ali Offshore (Company is approximately USD5,000 in the first year and USD2,500 annually. An onshore company with trade licence will depend on office size, number of staff and type of licence.</p>
5. Fees paid to authorities to Incorporate:	<p>Fees for onshore incorporations will include a registration fee and an annual licence fee which vary widely depending on the entity incorporated and the trading activities.</p>
6. Annual fees paid to authorities:	<p>As above, approximately AED10,000 to AED100,000</p>
7. Taxation rates applied to companies generally:	<p>There is no corporation tax applied to companies in the UAE other than those involved in certain sectors of the oil and gas industry or branches of overseas banks.</p>
8. Method of incorporation:	<p>By shareholder subscription before a notary for onshore entities or filing of M&As with a free zone registrar. For LLCs an appointment of auditor, confirmation of office premises required.</p>

<p>9. Who may incorporate – are local professionals required?</p>	<p>Any person – corporate or individual – so long as local ownership rules are followed where applicable. (a) Are ready made/shelf companies available? Yes. Certain free zone companies are available off the shelf from the larger corporate service providers.</p>
<p>10. Length of time to Incorporate:</p>	<p>Again, depending on type of entity and location anything from one week to three months.</p>
<p>11. Minimum number of members:</p>	<p>Generally two. Again depending on type of entity and location.</p>
<p>12. Directors and secretary:</p>	<p>For onshore companies there is a general requirement to have a local individual director or manager and a registered agent is not required but a local Emirati sponsor is. Free Zone “offshore” companies (a) – (c) below are applicable in RAK but not Jebel Ali free zones. (a) Must there be a resident director/secretary? Applicable in RAK, but not Jebel Ali, free zones. (b) Are corporate directors allowed? Applicable in RAK, but not Jebel Ali, free zones. (c) Is a local registered agent required? Applicable in RAK, but not Jebel Ali, free zones. (d) Are “shadow” directors required to be registered? No</p>
<p>13. Amount of fees payable to appointee directors/secretary:</p>	<p>N/A for onshore companies. For free zone offshore entities this depends on the CSP – approximately USD2,500 for provision of officers.</p>
<p>14. Annual Meetings:</p>	<p>Generally not but certain free zones do require this.</p>
<p>15. Is an annual return filed with details of directors and members?</p>	<p>A form of return is usually made with these details, alternatively the annual licence requires this information.</p>
<p>16. Accounts:</p>	<p>(a) Must financial statements of a company be audited: See below. (b) Are annual accounts filed with annual returns? See below. This entirely depends on what company is incorporated and can be yes to both or no to both.</p>
<p>17. Are there any exchange control or other financial restraints?</p>	<p>No</p>

18. Is migration of companies permitted?	Into certain free zones yes (eg DIFC, RAK)
19. Must foreign companies administered locally be registered?	Generally no.
20. Are protected cell companies permitted?	Yes, in the DIFC.
21. Are civil-law type foundations possible?	No
22. Are common-law foundations possible?	No
23. Can LLCs be formed?	Yes
24. Are regulators empowered to request the production of:	(a) Information on the identity and background of beneficial owners and officers: Yes (b) Information on companies: Yes
25. Can such information be exchanged with other jurisdictions?	The UAE has DTAs with 60 other countries which include provisions for information exchange, also various treaties and MOUs with countries relating to the exchange of information in criminal matters.
26. Any amendments to company law over the last 12 months?	Minimum share capital of AED300,000 was abolished last year, but the most dramatic change has come from the Dubai Land Department, which as of 1 January 2011, banned the use of offshore companies to own property in Dubai. The only "offshore" or non-locally licensed company that can now be used, is a Jebel Ali Offshore company (from the Jebel Ali Free Zone).
27. Anticipated amendments to company law in 2013?	Recent commentary relates to reducing the percentage levels of local ownership (eg down from 51% for LLCs)