

FAQs

1. What is the difference between mainland, free zone, and offshore companies?

- **Mainland:** Businesses can operate anywhere in the UAE and are subject to UAE regulations but require a local sponsor for foreign investors.
- **Free Zone:** Businesses are limited to specific areas but offer benefits such as 100% foreign ownership, no taxes, and easy import/export.
- **Offshore:** Designed for businesses outside the UAE, these companies do not engage in trade within the UAE but benefit from tax advantages and privacy.

2. Is UAE a Good Place to Start a Business?

Dubai's position as the economic hub of the United Arab Emirates (UAE) has elevated the nation to a prominent business centre, both regionally in the Middle East and globally. Entrepreneurs are attracted to UAE's dynamic business environment, which spans various sectors and offers significant opportunities for growth and expansion. Strategically located at the intersection of Europe, Asia, and Africa, the UAE leverages its geographical advantage to facilitate international trade and commerce.

Setting up a business in UAE is supported by its state-of-the-art infrastructure, forward-thinking policies, and strong regulatory framework, all of which encourage entrepreneurship and investment. The city's advanced transportation systems, including world-class airports and seaports, provide efficient connectivity to major markets worldwide. Furthermore, UAE's business-friendly regulations, such as free zones offering 100% foreign ownership and tax exemptions, make it an attractive destination for establishing enterprises.

The UAE government's strategic vision, exemplified by initiatives like Dubai Vision 2021 and Dubai Industrial Strategy 2030, reflects its commitment to fostering innovation, diversifying the economy, and promoting sustainable growth. Combined with Dubai's multiracial lifestyle and high standard of living, these factors enhance its reputation as a prime location for businesses aiming for global success.

3. How Can I Set Up a Business in UAE?

Setting up a business in Dubai involves multiple steps, but with proper planning and adherence to local laws, the process can be made more efficient.

Research and Planning: Begin by researching the market, defining your target audience, and understanding the legal requirements for your specific business.

Select a Business Structure: Choose the most appropriate structure for your business, whether it's a sole proprietorship, partnership, limited liability company (LLC), or a free zone entity.

Register Your Business: If you're operating on the mainland, register with the Department of Economic Development (DED); for free zone businesses, register with the relevant free zone authority.

Obtain Required Permits and Licenses: Depending on your business activities, you may need specific permits and licenses from various government bodies. Ensure you meet all regulatory standards.

Secure Business Premises: Select appropriate office or commercial space based on location, size, and budget to support your business operations.

Open a Corporate Bank Account: Choose a reliable bank and set up a corporate account to manage your finances effectively.

Visa Registration: Secure visas registration for yourself and any employees to ensure compliance with residency and work regulations.

Tax Compliance: Understand Dubai's tax system and stay up-to-date with all taxation obligations to ensure timely compliance.

4. What is the cost of Setting up a Business in UAE?

The cost of setting up a business in UAE is 15000* AED, which includes various administrative and licensing fees. This initial investment provides access to the UAE's dynamic economy, offering exceptional growth and expansion opportunities. UAE's strategic location, favourable business policies, and advanced infrastructure make it a prime destination for entrepreneurs worldwide.

Beyond the monetary investment, establishing a business in Dubai opens doors to a diverse market with significant purchasing power, positioning companies for success in both regional and global markets. The city's vibrant business environment promotes innovation and collaboration, making it an ideal setting for startups and established businesses to thrive.

Additionally, UAE's tax-free regime and efficient regulatory processes further boost its attractiveness as a business hub, helping to reduce operational costs and increase profitability. With a strong legal framework and a government that actively supports entrepreneurship, the expense of setting up a business in Dubai is more than just a cost—it's an investment in long-term success.

5. What all documents are required to set up a Business in the UAE?

- Passport copies of owners and partners.
- Proof of address.
- Trade name reservation certificate.
- Initial approval certificate.
- Memorandum of Association (MOA).
- Lease agreement for office space.
- Business activity plan

6. What is the process time to Setup Business in the UAE?

The process usually takes between 2 to 4 weeks, depending on the type of company, the completeness of the documentation, and the authority involved.

7. What all documents are required to open a Personal Bank Account in the UAE?

➤ For residents, the documents required includes are as below:

- Passport with UAE residence visa.
- Emirates ID.
- Salary certificate or proof of income.
- Proof of address (e.g., utility bill or tenancy contract).
- Personal bank statements (if needed).

➤ For non-residents, the documents required includes are as below:

- Passport.
- A reference letter from your home bank.
- Proof of address (from your home country).
- Personal bank statements from the last 3–6 months.

8. What all documents are required to open a Corporate Bank Account in the UAE?

• Below are the documents required:

- Trade license of the company.

- Certificate of incorporation.
- Shareholder documents (passport copies, Emirates IDs for residents).
- Memorandum of Association (MOA).
- Proof of business activity (invoices, contracts, etc.).
- Board resolution authorizing the account opening.
- Office lease agreement.
- Company's bank statements (if applicable).

9. How long does it take to open a Bank Account in the UAE?

Personal accounts for residents can be opened in a few days to a week. However, corporate bank accounts may take 2 to 4 weeks depending on the bank's internal processes and the complexity of the business structure.

10. What is the Corporate Tax Rate in the UAE market?

- 0% on taxable income up to AED 375,000.
- 9% on taxable income above AED 375,000.

11. How can a Business register for VAT?

VAT registration is done online through the **Federal Tax Authority (FTA)** portal. Businesses must provide information like trade license, financial details, and business activities.

12. How is VAT Calculated?

VAT is calculated at **5%** on the value of goods or services supplied. Businesses can reclaim the VAT they have paid on purchases and expenses (known as **input VAT**) against the VAT they have collected from customers (known as **output VAT**).

13. Are there any penalties implied for failing to register or file VAT returns?

➤ **Penalties apply for non-compliance, including:**

- Failure to register: AED 20,000.
- Late filing of returns: 2% of unpaid tax (immediately), 4% after 7 days, and 1% daily after 30 days.
- Late payment: 4% per month of unpaid tax.

14. What are the legal requirements for hiring employees in the UAE?

- Obtain a valid trade license.
- Apply for a work permit and residence visa for the employee through the Ministry of Human Resources and Emiratization (MOHRE).
- Ensure employees are registered for health insurance, which is mandatory UAE.

15. What is the process of getting a work Visa in the UAE?

- Work permit application through MOHRE.
- Entry permit for the employee to enter the UAE.
- Completion of medical tests and biometrics.
- Applying for the residence visa through the immigration department.
- Issuance of the Emirates ID

16. How long does it take to process for a work Visa in the UAE Market?

The entire process, including the work permit, medical tests, residence visa, and Emirates ID, typically takes around 2 to 4 weeks, depending on how efficiently the documents are submitted and processed

17. What is the process for document attestation in the UAE?

Document attestation involves notarization in the home country, followed by attestation at the UAE Embassy in that country. Once the document is in the UAE, it must be further attested by the Ministry of Foreign Affairs. PRO services assist in managing this multi-step process.

18. Which social Media Platforms are most effective for marketing in the UAE's Dynamic Market?

➤ The most effective platforms for marketing in the UAE include:

- Instagram for visual content and influencer partnerships.
- Facebook for targeting a wide demographic and paid advertising.
- LinkedIn for B2B marketing and professional networking.
- YouTube for video content and tutorials.
- TikTok for viral, creative campaigns targeting younger audiences.

19. What are the key Components of IT Infrastructure?

- Servers and data storage systems.
- Networking hardware (routers, switches).
- Cabling and internet connectivity.
- Backup solutions and disaster recovery.
- Cloud services for remote access and scalability.

20. How Long does it take to develop custom Software in the UAE?

The development timeline depends on the complexity of the project, ranging from a few months for basic applications to over a year for complex enterprise systems. Factors like design, functionality, and integration with existing systems influence the timeline.

21. What are the key responsibilities of a Bookkeeper in the UAE?

- Recording financial transactions like sales, purchases, and payments.
- Reconciliation of accounts, ensuring that records match bank statements.
- Managing payroll and employee expenses.
- Tracking accounts payable and receivable.
- Preparing financial statements such as balance sheets and income statements.
- Ensuring VAT compliance by recording VAT on sales and purchases.

22. What types of properties can be purchased in the UAE?

➤ **Buyers can purchase various property types as follows:**

- Residential properties (apartments, villas, townhouses).

- Commercial properties (offices, retail spaces, warehouses).
- Land for development.
- Mixed-use developments.

23. What is the process for renting a property in the UAE?

- Researching for a property through listings or real estate agents.
- Viewing the property and negotiating the rent.
- Signing a tenancy agreement and paying a security deposit (usually 5% of the annual rent).
- Paying the first month's rent in advance.

24. What is the best time to visit the UAE?

The best time to visit the UAE is during the cooler months, from **October to April**, when temperatures are more pleasant for outdoor activities and sightseeing.

25. What payment methods are accepted for booking tours?

- Credit and debit cards.
- Bank transfers.
- Cash (depending on the tour operator).
- Some platforms may also accept digital wallets.

26. What etiquette should I observe while visiting the UAE?

- Respect local customs and traditions.
- Avoid public displays of affection.
- Use the right hand for giving and receiving items.
- Be mindful of prayer times and religious sites.