



UAE tax flash

The Dubai government recently announced several short-term measures as part of an economic stimulus package intended to aid UAE businesses navigate the potential impact of COVID-19.

As a part of the implementation of customs-related incentives in the stimulus package, Dubai Customs has confirmed:

1. There will be a refund of 1% of the customs duty imposed on imported goods sold locally in the UAE. Goods imported between 15 March 2020 and 30 June 2020 which are liable to customs duty at the rate of 5% are eligible for the refund.
2. There will be an exemption from the berthing fee for arrivals and departures, and direct and indirect loading fees for traditional wooden commercial vessels registered in the UAE at Dubai and Hamriyah Port between 15 March 2020 and 30 June 2020.
3. The AED 50,000 bank or cash guarantee required to undertake customs broking activities is revoked.
4. The bank or cash guarantee deposited by existing customs brokers and clearing companies will be refunded.

In these difficult times as businesses cope with the uncertainties of COVID-19 and reduced oil prices, initiatives like these help improve the cost and ease of doing business.

We await the details of the mechanism for claiming these incentives and will be happy to assist you in exploring your eligibility to claim them.

For questions, discussion or assistance, please contact your KPMG Lower Gulf Tax advisors.

Kind regards,

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