



BUILDING A GROWTH-FRIENDLY TAX ENVIRONMENT

الهيئة الاتحادية للضرائب
FEDERAL TAX AUTHORITY



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Improving Tax Environment

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Dispute Resolution Mechanism

Ms. Sara Alhabshi
Executive Director of Tax Compliance Sector at
the Federal Tax Authority





「01」

Introduction

「02」

Our Story

「03」

UAE's Dispute Resolution
Mechanism



CONTENT



PART ONE

Introduction





A Modern Tax System

1

Modern tax system is an opportunity for growth and economic development.

2

Tax collection, supported by taxpayers, provides the necessary funding for infrastructure development and other public benefits

3

Understanding the benefits of tax compliance enhances investment returns.

4

Achieving these goals requires fairness in taxation, collaborative tax administration, and continuous optimization of compliance processes and technology.



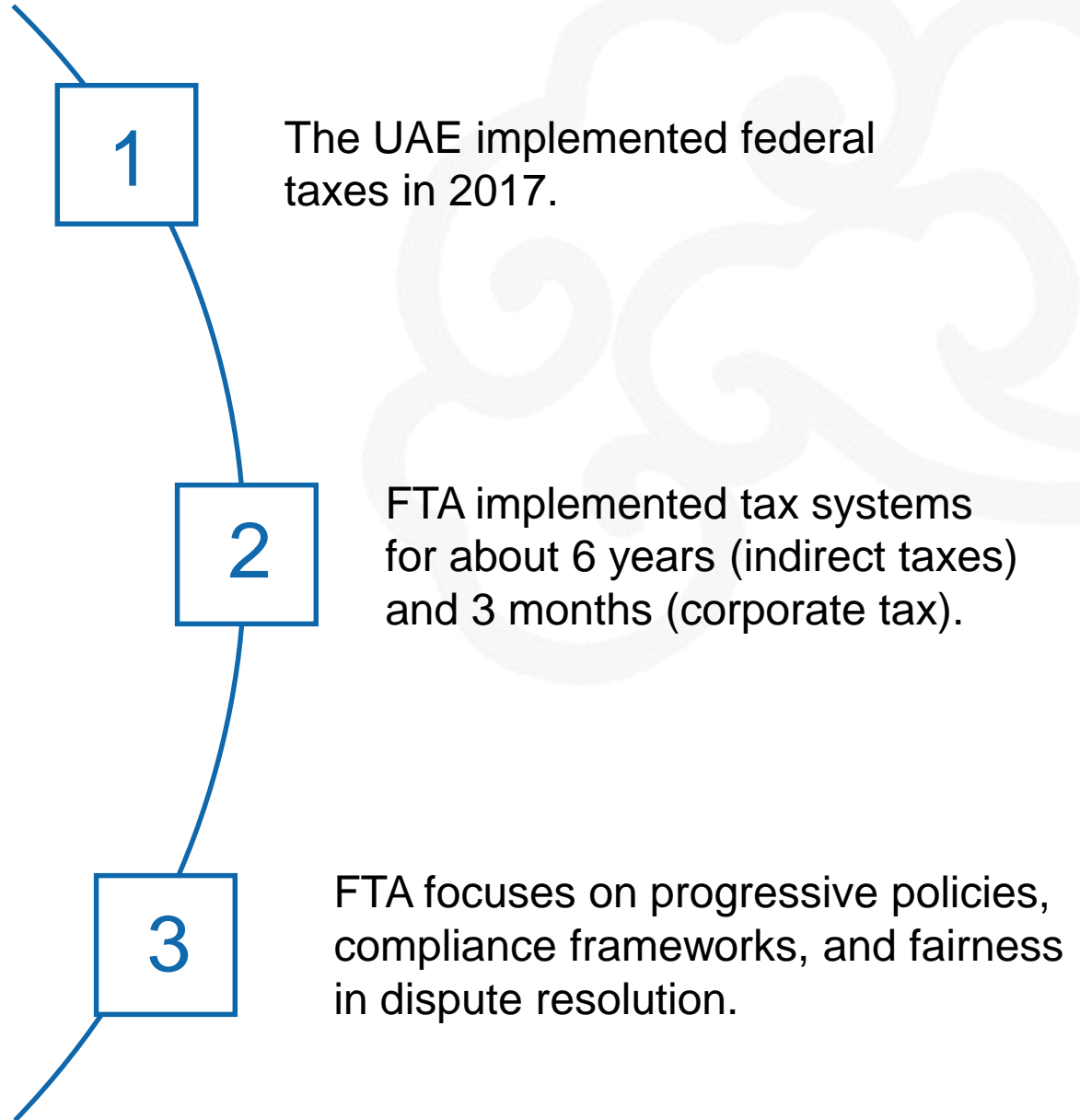
PART TWO

Our Story





Our Story





PART THREE

UAE's Dispute Resolution Mechanism



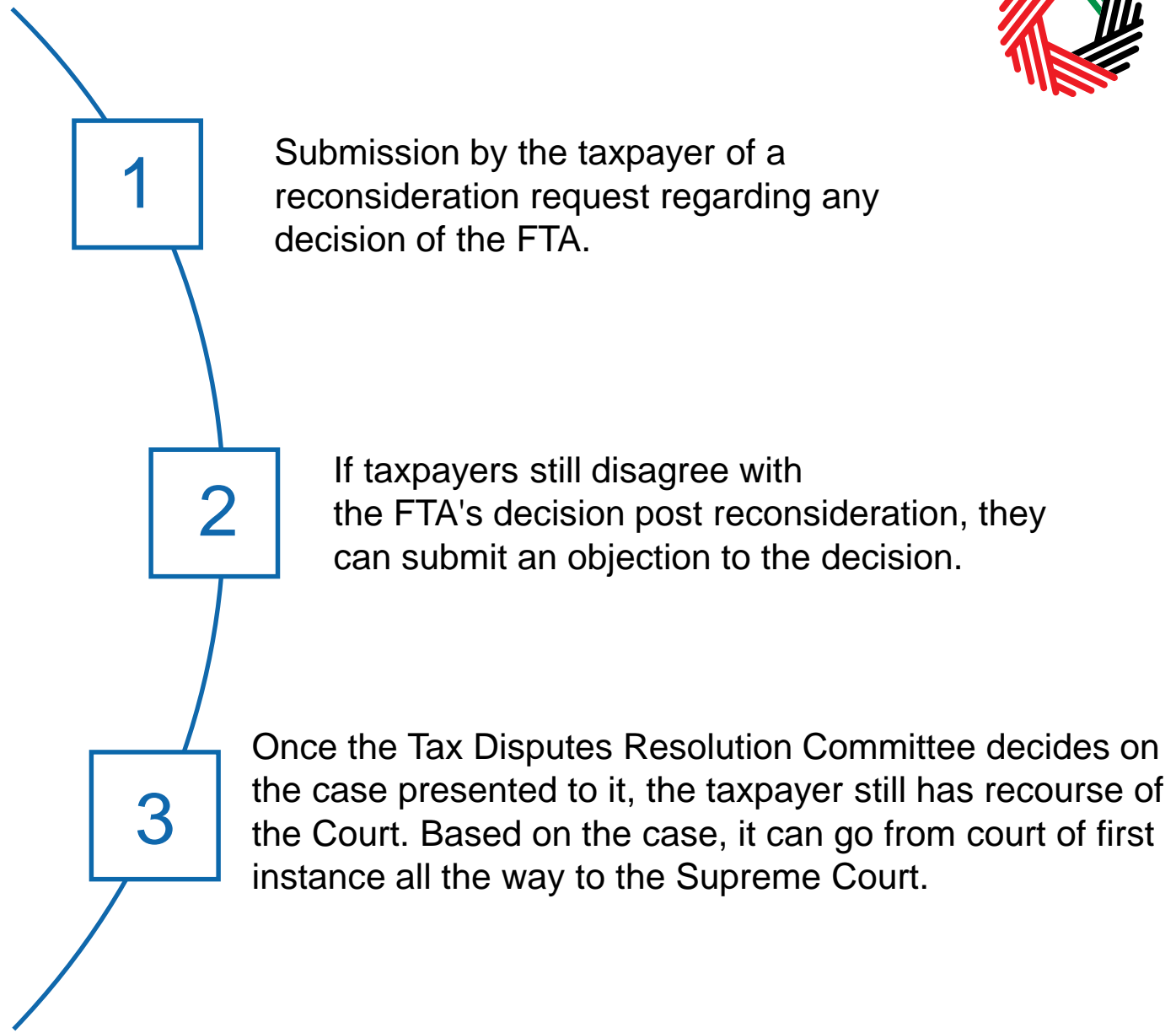


UAE's Dispute Resolution Mechanism

- The Dispute Resolution Mechanism has been enhanced twice, in 2021 and again at March 2023.
- A fair and collaborative tax system should always provide taxpayers with the opportunity to submit their objections and arguments to decisions made by the Tax Authority.
- Internal processes must first be exhausted before external remedies may be used.
- In the UAE, we have initially developed a 3-tier appeal and objection process.



In the UAE, we have initially developed a 3-tier appeal and objection process, of which 2 tiers are outside the court system.





The process has been amended slightly over the last 6 months. In order to make the process more fair to the taxpayer, the FTA added an optional fourth tier.



Optional step - requesting a review in the case of tax assessments from an audit team that is independent of the original audit team.



Submission by the taxpayer of a reconsideration request regarding any decision of the FTA.



If the taxpayer still disagrees with FTA's decision post reconsideration, they can submit an objection to the decision. The objection is reviewed by a Tax Disputes Resolution Committee.



Once the Tax Disputes Resolution Committee decides on the case presented to it, the taxpayer still has recourse of the Court. Based on the case, it can go from court of first instance all the way to the Supreme Court.



The Administrative Processes Goals for Creating a Modern and Fair Tax System

1

The taxpayer had two, and has now three levels of review before going to Court.

2

The taxpayer had two levels of review totally independent from the FTA.

3

By settling a majority of tax disputes at the FTA or Tax Dispute Resolution Committee levels, the number of Court cases is reduced.

4

Access to Tax Disputes Resolution Committee and court has been made more convenient with reduced payment requirements for tax and penalties.



Thank You!

