



Federal tax Authority issues a user guide on Economic Substance Regulations Appeal:

Introduction:

This Guide assists Licensees in submitting an appeal request to the Federal Tax Authority related to Administrative Penalties levied concerning Economic Substance Regulations, along with below other services:

- Assists in submitting Appeal case.
- On method and ways to provide supporting documents.
- Indicates points to be taken care when submitting Appeal
- List of penalties based on Cabinet Resolution No 57 of 2020
- Time frame for appeal

Appeal:

The appeal request is one of the services provided based on Article (17) of the Cabinet of Ministers Resolution No 57 of 2020 concerning the Economic Substance Requirements.

Whereas, the licensee or the exempted licensee may appeal to the National Assessment Authority on its decision to impose an administrative penalty on him for any of the following grounds:

- Licensee did not commit the violation attributed to it;
- The administrative penalty imposed is not proportionate to the violation;
- The administrative penalty imposed exceeds the limited prescribed hereunder

Steps to be followed to submit and Appeal:

The licensee or the exempted licensee should submit appeal request online via the portal of Ministry of Finance (same as for ESR notification and Report filing) mandatorily in English language.

1. "Appeal" option will be available on the user dashboard with a deadline to file it, i.e. (40) forty working days from the date on which such administrative penalty is levied.
2. In the application a simplified explanation is required to be added as reason for submitting the appeal request
3. Further licensee can review its appeal form and can send the request to authority by doing the final submission.
4. An acknowledgment email will be received from Ministry after submitting the Appeal.



5. Authority will make decision within 40 working days and inform licensee within 5 days of decision

Licensee can follow up on their submitted appeal by sending email on FTAESR@tax.gov.ae, in which he will be required to provide details such as Licensee Name or Exempted Licensee Name, Its Regulatory Authority, Case ID

Assessment Authority may ask for further clarification and documents to move forward with the appeal which will be required to be submitted as “Resubmission” available on dashboard of the user.

Below are the Timeline related to different requests:

Sr	classification/request status	Timeframe
1	Submit for Appeal	(40) forty working days from the imposed date of the fine
2	Issue a Decision of the appeal	(40) forty working days from the date of meeting all requirement
3	Inform Licensee of the decision	(5) working days from the date of issuance of the decision
4	Document Request by National Assessing Authority	(5) working days from the date of requesting documents (1)
5	Final period to pay the fine	(40) Forty working days from date administrative penalty is levied