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UAE VAT: Tourists Refund Scheme

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What is the VAT Refund Scheme for Tourists in the UAE?

- The VAT Refund Scheme for Tourists ("Tourists Refund Scheme"), available since November 18, 2018, allows Overseas Tourists to Claim Refunds on VAT paid on eligible goods purchased in the UAE.
- VAT Refund Scheme allows Overseas Tourists to purchase certain taxable goods in the UAE and obtain a VAT Refund provided the goods are exported and the purchases are validated at the point of exit.
- Refunds for export-validated tags can be claimed within 1 year from the date of validation.

Who is eligible to participate in the Tourists Refund Scheme?

- Only Overseas Tourists are eligible to participate in the Tourists Refund Scheme.
- Overseas Tourists must be 18 years old or above.
- Overseas Tourists must not be a Crew Member on a Flight or Cruise Ship Leaving the UAE.
- Overseas Tourists must not be a Resident of the UAE or any other Implementing Country.
- GCC Nationals not residing in the UAE are also eligible.

What is the Minimum Purchase amount to qualify for VAT Refund?

Minimum Purchase amount: AED 250.

How much VAT Refund can Tourists expect to receive?

Tourists will receive 87% of the Total VAT Paid minus a Fixed Fee of AED 4.80 per refund claim.

What is the maximum Cash VAT Refund amount for Overseas Tourists?

The maximum Cash VAT Refund for overseas tourists is limited to AED 35,000 per person every 24 hours.

Who operates the Tourist Refund Scheme on behalf of the FTA?

- The Operator authorized by the FTA to manage the Tourist Refund Scheme is Planet.
- <https://www.planetpayment.ae/>

What fees are associated with the Tourists Refund Scheme?

The Authority charge the following fees to Overseas Tourists:

- An Administrative fee of 13% of the VAT Amount to be refunded.
- A Fixed fee of AED 4.8 per refund claim.
- These fees will be deducted from the refund amount.

What is the time limit for Tourists to claim their VAT refunds?

Tourists must claim their VAT Refunds within 12 months from the date of export validation.

What goods are excluded from the Tourists Refund Scheme?

The following goods are excluded from the scheme:

- Goods not accompanied by the Overseas Tourist when leaving the UAE.
- Goods that have been consumed in whole or in part in the UAE or any other Implementing Country.
- Motor Vehicles, Boats and Aircraft.

What are the conditions for Retailers to participate in the Tourists Refund Scheme?

Retailers must meet the following conditions:

- Retailers must be registered with the Federal Tax Authority (FTA) for VAT.
- Retailers must Hold a valid Tax Registration Number (TRN).
- Retailers must be registered with the Planet.
- Retailers must ensure their Goods are not excluded from the Refund Scheme.
- Retailers must submit a request to participate in the scheme as specified by the FTA.
- Retailers must meet the Financial Credit requirements set by the System Operator.
- Retailers must regularly submit Tax Returns and pay due Taxes.

What are the requirements for Tourists to claim VAT Refunds?

- **Shop at Registered Merchants:** Tourists must purchase Goods from merchants or stores registered with Planet.
- **Obtain a Tax Invoice:** Tourists must ensure the Tax Invoice include the Tourist's name as mentioned in the Passport.
- **Tax Free Transaction:** Tax free transaction must be issued by the Retailer.
- **Physical Inspection:** Tourists must present all goods along with the Tax Invoice and Passport at the time of departure from the UAE.
- **Validation Process:** Tourists have 90 days to validate goods at Planet's validation points from the date of the Tax Invoice. Tourists must leave the UAE within 6 hours after completing the validation process.
- **Refunds:** Refunds are processed electronically, either via Credit Card or Cash.

What are the verification requirements for VAT Refunds under the Tourists Refund Scheme?

- The Operator will not Refund VAT unless the Tourist export the goods from the UAE within 90 days from the date of supply.
- The Operator will verify the Exported Goods and Refund claims according to criteria agreed upon with the FTA.
- The Operator may use a third party for verification procedures if consented by the FTA.

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- ✓ CT Return Filing
- ✓ CT Training
- ✓ CT Penalties

ACCOUNTING & BOOKKEEPING SERVICES

- ✓ Cloud Accounting Services
- ✓ Crypto Accounting
- ✓ Balance Sheet Preparation
- ✓ Accounts Reconciliation
- ✓ Monthly MIS Reporting

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- ✓ VAT Registration
- ✓ VAT Returns Filing
- ✓ VAT Deregistration
- ✓ VAT Training
- ✓ VAT Penalties
- ✓ VAT Refund

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- ✓ Business Setup in Mainland
- ✓ Business Setup in Free Zones
- ✓ Offshore Business Setup
- ✓ Company/LLP Incorporation
- ✓ Trade License
- ✓ Crypto Tax Services
- ✓ AML/ESR/UBO Compliance
- ✓ Other Business Compliance Services

Contact us

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