AJMAN FREE ZONE

FZE / FZC COMPANY

CLIENT GUIDE 2026

UAE free zone formation, 0% qualifying income regime and annual compliance

Professional company formation and ongoing corporate administration

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Ajman Free Zone Company at a Glance

Ajman Free Zone (AFZ) offers **Free Zone Establishment (FZE)** and **Free Zone Company (FZC)** structures for international investors, together with commercial, service, industrial/manufacturing, e-commerce and other licences. AFZ states that its setup process is fully digitised and supports **100% company ownership**.

Topic	Current legal / practical position
Legal forms	**FZE** for a single shareholder and **FZC** for more than one shareholder; AFZ also registers branches of UAE and foreign companies.
Ownership	100% foreign ownership is available in Ajman Free Zone.
Shareholders	Individual or corporate shareholders are accepted. Corporate shareholder documents require notarisation/attestation in the cases specified by AFZ.
Manager	A manager is appointed and passport/visa/photo/signature documentation is required by AFZ.
Licence types	Commercial, Services, Industrial/Manufacture, General Trading, E-commerce and other AFZ products/activities.
Activities	AFZ publishes more than **3,500 business activities**. Regulated activities may require additional approvals.
Formation speed	AFZ's current FZE/FZC registration service pages state **15-30 minutes after payment and signing all required documents**.
Corporate tax	Potential **0% UAE Corporate Tax on Qualifying Income** only where the company is a **Qualifying Free Zone Person (QFZP)** and all statutory conditions are continuously met.
VAT	Standard UAE VAT **5%**; mandatory registration threshold for a UAE-resident business is AED 375,000.

The Major Tax Benefit

0% Corporate Tax can be genuine - but it is conditional

An Ajman Free Zone company that qualifies as a **Qualifying Free Zone Person** can benefit from **0% Corporate Tax on Qualifying Income**. This is not a blanket exemption for every AFZ company or every foreign customer. Non-qualifying taxable income is generally subject to **9%** Corporate Tax.

To retain QFZP status, the company must satisfy the Free Zone Corporate Tax conditions, including adequate substance in the UAE, Qualifying Income rules, transfer-pricing compliance, audited financial statements and the de minimis limitation for non-qualifying revenue.

Key Benefits for International Clients

- 100% foreign ownership.
- Potential 0% UAE Corporate Tax on Qualifying Income for a QFZP.
- Fast, digital AFZ incorporation process.
- FZE single-shareholder and FZC multi-shareholder options.
- More than 3,500 published business activities.
- Commercial, service, industrial, e-commerce and general-trading options.
- Access to UAE residence-visa and establishment-card services according to the selected package/facility.
- Ajman Port proximity and access to Dubai and Sharjah airports.

FZE, FZC & Corporate Shareholders

Topic	Current legal / practical position
FZE	Single shareholder structure; shareholder may be an individual or corporate entity.
FZC	More than one shareholder; AFZ offers individual and corporate shareholder registration routes.
Corporate shareholder	AFZ requires incorporation certificate, good-standing/continuity certificate, constitutional documents and incorporation resolution; foreign corporate documents require notarisation and UAE Embassy attestation as specified by AFZ.
Individual shareholder	Valid passport; manager visa if available; photograph; AFZ-generated declarations/resolutions/signature specimens.
Branch	A foreign company can establish an AFZ branch with 100% foreign ownership; the branch is an extension of its parent.
Facility / lease	The incorporation output includes a lease agreement. Facility/package selection affects visa capacity and cost.

Business Activities & Licences

AFZ's current activity database lists more than 3,500 activities. Licence categories include commercial, services, industrial/manufacturing, general trading and e-commerce. The exact activity wording matters for both licensing and Corporate Tax because an AFZ licence by itself does **not** determine whether income is Qualifying Income.

General trading is not automatically 0% tax

The UAE Free Zone Corporate Tax regime distinguishes **Qualifying Activities**, transactions with other Free Zone Persons and **Excluded Activities**. A company should therefore select its AFZ licence based on the real business and separately test each revenue stream for QFZP treatment.

Corporate Tax - Ordinary UAE Rate

For a taxable person outside the QFZP 0% treatment, the general UAE Corporate Tax framework applies: **0% on taxable income up to AED 375,000 and 9% on taxable income above AED 375,000**. The AED 375,000 threshold is a taxable-income threshold, not a Free Zone exemption.

Qualifying Free Zone Person - Core Conditions

The Federal Tax Authority states that a QFZP must maintain **adequate substance in the UAE**, derive Qualifying Income, comply with transfer-pricing rules/documentation and not elect to be subject to ordinary Corporate Tax in full. The Free Zone rules also require audited financial statements.

De Minimis Rule

Non-qualifying revenue must not exceed the lower of **AED 5,000,000** and **5% of total revenue** for the relevant tax period. If the conditions cease to be met, the company can lose QFZP status and be treated under the ordinary Corporate Tax regime for the statutory disqualification period.

2025 Update to Qualifying Activities

Ministerial Decision No. 229 of 2025 replaced the earlier 2023 decision. Qualifying Activities include specified manufacturing/processing, holding shares and securities for investment, ship ownership/management/operation, qualifying regulated reinsurance/fund/wealth-management services, headquarters and treasury/financing services to related parties, aircraft financing/leasing, logistics, qualifying commodity trading and qualifying distribution activities, plus ancillary activities.

Excluded Activities

The 2025 decision continues important exclusions, including many transactions with natural persons, banking, specified insurance and finance/leasing activities, and ownership/exploitation of immovable property other than qualifying commercial property transactions in a Free Zone. Income from excluded activities cannot simply be labelled foreign income to obtain 0%.

Small Business Relief - 2026 Update

In August 2026, the Ministry of Finance extended Small Business Relief through tax periods ending on or before **31 December 2029**, retaining the AED 3 million revenue threshold. However, a **Qualifying Free Zone Person cannot elect for Small Business Relief**. An AFZ company that is not a QFZP may need separate analysis of whether the relief is available.

VAT

UAE VAT is generally **5%**. A UAE-resident business must register when taxable supplies/imports exceed or are expected to exceed **AED 375,000**; voluntary registration is available from AED 187,500, subject to the statutory tests.

Formation Process

1. Choose FZE/FZC and activities **2.** Select facility/package and visa needs **3.** KYC/shareholder/manager documents **4.** Online AFZ application **5.** Sign AFZ-generated documents and pay **6.** Receive licence, lease, incorporation and commercial-registry documents **7.** Corporate Tax/VAT/banking/visa setup

AFZ's current service pages state that the registration outcome includes the **licence, lease agreement, certificate of incorporation, constitutional document and commercial-registry certificates**.

Documents Required - Individual Shareholder

- Valid passport copy for shareholder(s) and manager.
- Manager residence-visa copy if available.
- Colour photograph with white background.
- AFZ-generated manager declaration, incorporation resolution and specimen signatures.
- Power of attorney where used; notarisation/attestation where required.
- Additional KYC/source-of-funds documents requested by AFZ, bank or BRIS/local provider.

Documents Required - Corporate Shareholder

- Certificate of incorporation.
- Certificate of continuity/existence/good standing.
- Memorandum/Articles or equivalent constitutional documents.
- Board/shareholder resolution approving AFZ incorporation.
- Passport, visa (if available) and photograph of the manager/authorised representative.
- Notarisation and UAE Embassy attestation of foreign corporate documents as specified by AFZ.
- Full ownership/UBO chain and source-of-funds/source-of-wealth information for compliance.

Corporate Tax Registration & Return

Free Zone entities are within the UAE Corporate Tax framework and must register/file as required. The FTA's Free Zone guidance states that a Free Zone Person files its Corporate Tax return and pays any Corporate Tax due within **9 months from the end of the relevant Tax Period**.

Audited Financial Statements

Important QFZP compliance cost

A Free Zone Person seeking QFZP status is required to prepare and maintain **audited financial statements regardless of revenue**. This should be included in the client's annual compliance budget from the outset.

Accounting & Transfer Pricing

The company must maintain accounting records supporting its tax return and the split between Qualifying and non-qualifying income. Transactions with related parties and connected persons are subject to the UAE arm's-length principle and transfer-pricing rules. A QFZP must retain the relevant transfer-pricing documentation where required.

Annual / Ongoing Compliance Checklist

- Renew AFZ trade licence and facility/lease on time.
- Maintain valid shareholder, manager, UBO and commercial-registry information.
- Maintain Corporate Tax registration and file the annual CT return.
- Test QFZP conditions and each revenue stream annually.
- Maintain adequate UAE substance for the Qualifying Activities performed.
- Prepare audited financial statements if QFZP status is claimed.
- Monitor the AED 5m / 5% de minimis limit for non-qualifying revenue.
- Maintain transfer-pricing compliance and related-party documentation.
- Register/file VAT where applicable.
- Maintain establishment card, E-channel and residence visas where used.
- Obtain customs code/other approvals for import-export activities where required.
- Maintain AML/KYC and regulated-activity approvals where applicable.

Banking & Operational Setup

Banks commonly require the AFZ licence, certificate of incorporation, constitutional documents, lease/facility evidence, shareholder/manager/UBO documents, source of funds/wealth, business plan, contracts, expected turnover and countries of activity. The proposed banking flows should be consistent with the licensed activities and the intended QFZP tax treatment.

How BRIS Group Supports You

Structure & tax review - Assess FZE vs FZC, shareholder structure, licence/activity selection and whether the intended income can qualify for the 0% QFZP regime.

AFZ incorporation - Coordinate the online AFZ formation process, constitutional documents, manager/shareholder documentation and licence issuance.

Corporate shareholder documents - Coordinate resolutions, good-standing documents, notarisation, UAE Embassy attestation and ownership-chain documentation.

KYC / UBO - Coordinate shareholder, manager, beneficial-owner and source-of-funds/wealth due diligence.

Corporate Tax - Coordinate CT registration, QFZP analysis, 0%/9% treatment and annual tax-return support.

Accounting / audit - Coordinate bookkeeping, audited financial statements and transfer-pricing support required for QFZP compliance.

VAT / customs / visas - Coordinate VAT registration, customs-code support, establishment card/E-channel and residence-visa services where required.

Banking & annual maintenance - Prepare banking/KYC documentation and coordinate licence renewal and ongoing corporate administration.

Professional Fees & Quotations

Tailored quotation

This brochure is an informational guide to Ajman Free Zone company formation and maintenance and is not a fee quotation. AFZ packages and government/free-zone charges vary according to licence, activities, facility, visa allocation and services. BRIS Group professional fees, AFZ charges, accounting/audit, Corporate Tax/VAT, attestations, visas, banking support and optional services are quoted separately.

Important Legal & Tax Notes

Ajman Free Zone does not automatically mean 0% Corporate Tax. The 0% rate applies only to **Qualifying Income of a Qualifying Free Zone Person**. A company that does not meet the QFZP conditions, or income that is non-qualifying, falls within the ordinary UAE Corporate Tax rules. The actual treatment depends on the activity, customers, counterparties, substance, permanent establishments, property/intangible income, related-party dealings and other facts.

Official Sources Reviewed

Ajman Free Zone: current FZE/FZC registration services for individual/corporate shareholders; AFZ business types, licence types, activity database, FAQs, rules/regulations and service information.

UAE Ministry of Finance: Corporate Tax framework; Federal Decree-Law No. 47 of 2022 as amended; Cabinet Decision No. 116 of 2022; Ministerial Decision No. 229 of 2025 on Qualifying and Excluded Activities; August 2026 Small Business Relief extension.

Federal Tax Authority: Free Zone Persons Corporate Tax guidance; QFZP conditions; de minimis requirement; audited financial statements; CT return timing; VAT registration thresholds and current 2026 guidance.

2026 point worth highlighting

The Ministry of Finance extended **Small Business Relief through tax periods ending on or before 31 December 2029** in August 2026. This relief remains unavailable to a QFZP, so a small AFZ company should compare the ordinary UAE tax/SBR route with QFZP treatment rather than assuming the Free Zone route is always preferable.

Information reviewed: August 2026. AFZ package prices, visa quotas, licence wording, designated-zone VAT status for a particular transaction, QFZP activity classification and any external approvals should be reconfirmed for the client's exact business before filing.

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Professional incorporation and corporate administration for international clients.