DMCC FREE ZONE

FREE ZONE COMPANY

CLIENT GUIDE 2026

Dubai company formation, 0% qualifying income regime and annual compliance

Professional company formation and ongoing corporate administration

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COMPANY FORMATION OVERVIEW

DMCC Free Zone Company at a Glance

Dubai Multi Commodities Centre (DMCC) is a Dubai Free Zone with a fully digital company-formation platform. DMCC's current setup page states that it is a **qualified free zone** for UAE Corporate Tax purposes, allowing qualifying businesses to access the federal 0% Free Zone rate on Qualifying Income.

Topic	Current legal / practical position
Company setup	DMCC currently describes three setup routes: **Individual, Subsidiary and Branch**.
Ownership	**100% foreign business ownership** and capital repatriation are promoted by DMCC.
Shareholders	Under the 2024 Company Regulations, a company must have **one or more shareholders**.
Registered office	Every DMCC company must maintain a registered office address within DMCC; flexi-desk, serviced office and dedicated workspace solutions are available.
Formation process	100% digital; DMCC states the process typically takes around **10 working days**, subject to documents and approvals.
Share capital	DMCC's current business-setup materials state a standard minimum of approximately **AED 50,000 / USD 13,612**; the Registrar may specify different minimums for particular companies/activities.
Corporate Tax	Potential **0% UAE Corporate Tax on Qualifying Income** only where the company is a **Qualifying Free Zone Person (QFZP)** and all federal conditions are met.
VAT	Standard UAE VAT **5%**; mandatory registration for UAE-resident businesses generally starts at AED 375,000 of taxable supplies/imports.
Audit	DMCC member companies must submit audited financial statements and the DMCC summary sheet within **6 months after financial year-end**.

The Major Tax Benefit

DMCC is a qualified Free Zone - 0% can apply to Qualifying Income

DMCC expressly confirms that it is a geographically designated and defined area considered a qualified Free Zone for UAE Corporate Tax. A DMCC company that is a **QFZP** can therefore obtain **0% Corporate Tax on Qualifying Income**. The company must still satisfy all federal QFZP conditions.

This is not a blanket 0% rate for all DMCC revenue. Non-qualifying income, excluded activities and failure to satisfy QFZP conditions can bring the company into the ordinary UAE Corporate Tax regime.

Key Benefits for International Clients

- 100% foreign ownership and capital repatriation.
- Potential 0% UAE Corporate Tax on Qualifying Income for a QFZP.
- DMCC is expressly recognised by DMCC as a qualified Free Zone for CT purposes.
- 100% digital setup, with a typical published timeframe of around 10 working days.
- Wide choice of trading, service, industrial and specialist activities.
- Flexible office solutions across JLT and Uptown Dubai.
- Multi-year licensing options and UAE residence-visa infrastructure.
- Strong commodities, precious metals, trade, technology and professional-services ecosystems.

Corporate Structure & Share Capital

Topic	Current legal / practical position
Shareholders	One or more shareholders; individuals and corporate shareholders can be accommodated subject to KYC and documentation.
Share capital	Shares may be denominated in AED or another Registrar-approved currency and must be fully paid when allotted.
Minimum capital	The Registrar may specify minimum capital. Current DMCC setup materials quote a standard minimum of about AED 50,000.
Capital deposit	Under the 2024 regulatory update, capital of AED 50,000 or less may be deposited into the DMCC portal account during incorporation; higher amounts generally require evidence in the prescribed form.
Directors / officers	Companies must appoint and maintain the officers required by the DMCC Company Regulations and Officers Rules.
UBO	DMCC requires UBO information and supporting evidence for individuals with 25% or more ownership/control, with updates when changes occur.

Licences & Activities

DMCC's 2026 official guidance describes **trading, service and industrial** licence categories and more than **1,000 approved activities across 20 sectors**. A company may require additional regulatory approvals depending on the activity. Licence/activity selection must also be reviewed separately for Corporate Tax purposes.

A DMCC trading licence does not by itself guarantee 0% CT

The federal Free Zone regime taxes **Qualifying Income**, not licence labels. Each revenue stream should be tested against transactions with Free Zone Persons, Qualifying Activities, Excluded Activities and the de minimis rules.

Ordinary UAE Corporate Tax

Where QFZP treatment does not apply, the general UAE Corporate Tax framework provides **0% on taxable income up to AED 375,000 and 9% on taxable income above AED 375,000** for ordinary taxable persons.

QFZP - Core Conditions

A QFZP must maintain **adequate substance in the UAE**, derive Qualifying Income, comply with the arm's-length principle and transfer-pricing requirements, prepare audited financial statements and satisfy the other conditions prescribed by the Corporate Tax Law and implementing decisions.

De Minimis Rule

Non-qualifying revenue must not exceed the lower of **AED 5,000,000** and **5% of total revenue** for the tax period. Breaching the QFZP conditions can disqualify the company for the relevant period and the following statutory periods.

2025 Qualifying Activities Update

Ministerial Decision No. 229 of 2025 replaced the 2023 decision. It covers specified manufacturing/processing, holding shares and securities for investment, qualifying shipping, 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

Important exclusions include many transactions with natural persons, banking, specified insurance and finance/leasing activities, certain immovable-property income and non-qualifying intellectual-property income. The DMCC company's actual counterparties and transactions determine the tax outcome.

Small Business Relief - 2026 Extension

On 7 August 2026 the UAE Ministry of Finance extended Small Business Relief through tax periods ending on or before **31 December 2029**, retaining the AED **3 million revenue threshold**. A **QFZP cannot elect for Small Business Relief**, so a small DMCC business should compare the QFZP route with ordinary CT/SBR treatment.

VAT

UAE VAT is generally **5%**. A UAE-resident business must register if taxable supplies/imports exceed AED **375,000** over the previous 12 months or are expected to exceed the threshold in the next 30 days. Voluntary registration begins at AED 187,500 under the statutory tests.

Formation Process

1. Choose activity/company route **2.** Online pre-approval & KYC **3.** Pay and sign DMCC documents **4.** Select registered-office solution **5.** Capital evidence where applicable **6.** Receive E-licence **7.** Banking, visas, Corporate Tax and VAT

DMCC states that the process is fully digital and can be completed remotely. The published typical completion time is around 10 working days, depending on complete documentation and approvals.

Typical Client Documents

• Passport copy for shareholders, directors/officers and authorised signatories; UAE visa/Emirates ID if applicable.

• Recent proof of residential address.

• Proposed company name, licensed activities and business profile.

• Shareholding structure and UBO information.

• For a subsidiary/corporate shareholder: parent-company registry and constitutional documents and ownership chain.

• Office lease/property documents or selected DMCC office solution.

• Bank reference or capital-deposit confirmation where required.

• Source-of-funds/source-of-wealth and additional AML/KYC evidence requested by DMCC or the bank.

• Third-party approvals for regulated activities where applicable.

Accounts & Annual Audit

The DMCC Company Regulations require directors to procure accounts for each financial year. DMCC's current audit-submission guidelines require member companies to upload the **auditor-signed and stamped Audited Financial Statements Summary Sheet and Audited Financial Statements within 6 months after financial year-end**. The appointed auditor must be a DMCC Approved Auditor, subject to the branch/group-auditor rule.

Audit is both a DMCC and QFZP planning point

DMCC already has an annual audited-financial-statement submission regime. Separately, the federal Free Zone Corporate Tax rules require audited financial statements for QFZP treatment. Audit should therefore be budgeted from incorporation.

Corporate Tax Registration & Filing

DMCC companies are within the UAE Corporate Tax framework. Corporate Tax returns and any tax due are generally filed/paid within **9 months after the end of the relevant tax period**.

Accounting & Transfer Pricing

Accounts should separately support Qualifying and non-qualifying income. Related-party and connected-person transactions must comply with the UAE arm's-length principle and applicable transfer-pricing documentation requirements.

Annual / Ongoing Compliance Checklist

• Renew the DMCC licence and registered-office/lease solution on time.

• Maintain current shareholders, officers, authorised signatories and UBO information.

• Maintain the required share capital and corporate registers.

• Prepare annual accounts and use a DMCC Approved Auditor.

• Submit audited financial statements and summary sheet within 6 months after year-end.

• Maintain Corporate Tax registration and file the annual CT return.

• Test QFZP status and each income stream annually.

• Maintain adequate UAE substance for Qualifying Activities.

• Monitor the AED 5m / 5% de minimis limit.

• Maintain transfer-pricing and related-party documentation.

• Register/file VAT where applicable.

• Maintain establishment card, visas, customs and sector approvals where used.

Banking & Operational Setup

Banks commonly request the DMCC licence, incorporation and constitutional records, office/lease evidence, shareholder/officer/UBO documents, source of funds/wealth, business plan, contracts, expected turnover and countries of activity. The banking profile should be consistent with the DMCC licence and the intended Corporate Tax treatment.

Why DMCC Can Be Attractive

Topic	Current legal / practical position
Qualified Free Zone	DMCC expressly confirms its qualified Free Zone status for UAE CT.
0% qualifying tax	QFZP can obtain 0% Corporate Tax on Qualifying Income.
100% ownership	International investors can fully own the company.
Digital formation	DMCC states setup is 100% digital and typically around 10 working days.
Business ecosystem	Major commodities, trade, precious-metals, technology and services hub.
Flexible premises	Flexi-desk, serviced office and dedicated workspace options.

How BRIS Group Supports You

Structure & tax review - Assess Individual/Subsidiary/Branch setup, licence/activity selection and whether intended income can qualify for QFZP 0% treatment.

DMCC incorporation - Coordinate pre-approval, shareholder/officer documentation, signing, registration, licence and office solution.

Corporate shareholder documents - Coordinate parent-company records, resolutions, ownership chain, certification and attestation where required.

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

Corporate Tax - Coordinate CT registration, QFZP analysis, 0%/9% treatment and Small Business Relief review where relevant.

Accounting / audit - Coordinate bookkeeping, DMCC Approved Auditor, annual audited statements and transfer-pricing support.

VAT / visas / customs - Coordinate VAT, establishment card, residence visas, customs and external approvals where required.

Banking & annual maintenance - Prepare banking/KYC documentation and coordinate licence, office and annual compliance.

Professional Fees & Quotations

Tailored quotation

This brochure is informational and is not a fee quotation. DMCC charges depend on activity, licence, office solution, visa requirements and package. BRIS Group professional fees, DMCC/government charges, accounting/audit, Corporate Tax/VAT, attestations, visas, banking support and optional services are quoted separately.

Important Legal & Tax Notes

DMCC does not automatically mean 0% Corporate Tax. The 0% Free Zone rate applies to **Qualifying Income of a Qualifying Free Zone Person**. Non-qualifying income and companies that fail the QFZP conditions are subject to the ordinary UAE Corporate Tax framework. The result depends on the actual activities, customers, counterparties, substance, property/IP income and related-party transactions.

Official Sources Reviewed

DMCC: current Set Up a New Business page; Business Setup Packages; 2026 official licence/activity guidance; DMCCA Company Regulations 2024 as updated 2 January 2025; 2024 Comprehensive Summary of Changes; Compliance and Regulations portal; Audited Financial Statements Submission Guidelines.

UAE Ministry of Finance: Federal Corporate Tax framework; Ministerial Decision No. 229 of 2025 on Qualifying and Excluded Activities; Ministerial Decision No. 131 of 2026 extending Small Business Relief through tax periods ending on or before 31 December 2029.

Federal Tax Authority: Free Zone Persons Corporate Tax guidance and current VAT registration guidance/thresholds.

Correct BRIS tax positioning

The accurate message is: **DMCC is a qualified Free Zone and a QFZP can benefit from 0% UAE Corporate Tax on Qualifying Income.** The tax benefit is powerful, but it is conditional and should be tested against the company's real revenue streams and substance.

Information reviewed: August 2026. DMCC package pricing, exact capital requirement for the selected activity, office/visa allocation, third-party approvals, QFZP classification and VAT treatment should be reconfirmed for the client's actual case before filing.

PREPARED BY BRIS GROUP

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Professional incorporation and corporate administration for international clients.