RAK OFFSHORE

RAK ICC INTERNATIONAL BUSINESS COMPANY

CLIENT GUIDE 2026

International corporate structuring, UAE Corporate Tax and annual compliance

Professional company formation and ongoing corporate administration

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RAK Offshore / RAK ICC at a Glance

The structure commonly called **RAK Offshore** is today incorporated through the **Ras Al Khaimah International Corporate Centre (RAK ICC)**. RAK ICC is a Government Authority of Ras Al Khaimah and its International Business Companies are governed by the RAK ICC Business Companies Regulations 2018.

Topic	Current legal / practical position
Principal vehicle	Usually a **Company Limited by Shares** under the RAK ICC International Business Company (IBC) regime.
Other IBC forms	Company Limited by Guarantee, Unlimited Company, Restricted Purpose Company and Segregated Portfolio Company.
Members	A company must have **one or more members**; a single-shareholder company is permitted.
Directors	At least **one director** at all times.
Registered Agent	Mandatory licensed **RAK ICC Registered Agent**; incorporation can only be submitted through a Registered Agent.
Registered address	Provided/maintained through the Registered Agent in the jurisdiction.
Formation time	RAK ICC's current FAQ states an IBC is normally incorporated within **2 working days** after document submission.
2026 official fee	RAK ICC IBC incorporation: **AED 3,250 for 1 year**; 2-year AED 6,700; 3-year AED 9,600. Registered Agent/professional fees are additional.
Renewal	2026 official IBC renewal: **AED 3,950 for 1 year**; 2-year AED 7,250; 3-year AED 10,650.
Corporate Tax	A UAE-incorporated juridical person is a **Resident Person** for federal UAE Corporate Tax purposes.

The Critical 2026 Tax Position

RAK ICC local tax exemption does not override UAE federal Corporate Tax

Regulation 277 of the RAK ICC Business Companies Regulations exempts RAK ICC companies, distributions and specified gains from taxes levied by **RAK ICC or Ras Al Khaimah**. However, the later **federal UAE Corporate Tax** applies to juridical persons incorporated under UAE law. BRIS therefore should not market RAK Offshore as automatically exempt from federal Corporate Tax.

For an ordinary taxable person, federal rates are generally **0% on taxable income up to AED 375,000 and 9% above AED 375,000**. An eligible small Resident Person may instead elect Small Business Relief where all conditions are met.

Key Benefits for International Clients

- 100% international ownership structure.
- Government registry in Ras Al Khaimah with a modern IBC legal framework.
- Single shareholder and single director possible.
- Fast published incorporation timeframe of around 2 working days after submission.
- Flexible holding, investment and permitted international business uses.
- Choice of RAK Courts, ADGM Courts or DIFC Courts for specified matters where the constitutional documents validly provide for this.
- Continuation/redomiciliation, mergers and corporate restructuring mechanisms available.
- Current official multi-year incorporation and renewal options.

Corporate Requirements

Topic	Current legal / practical position
Members	One or more members; individuals or corporate participants may be used subject to KYC and the constitutional documents.
Directors	Minimum one director; first director(s) appointed by member resolution.
Director age	The Regulations disqualify an individual under 21 from appointment as director.
Registered Agent	A company must at all times have a RAK ICC-licensed Registered Agent.
Registered office	Must maintain a registered office; the Registered Agent provides/maintains the official registered-address function.
Company name	Limited companies use an approved ending such as Limited / Incorporated or acceptable abbreviation.
Share capital	The Regulations allow par-value or no-par-value shares and flexible capital structures. No universal minimum capital is stated in the current 2026 fee schedule.
Director register	Changes to the register of directors must be filed within the statutory 14-day period.
UBO changes	RAK ICC's current company-formation checklist says any change in UBO should be notified within **2 weeks**.

Permitted Business & UAE Connections

RAK ICC companies have broad corporate capacity subject to the Regulations, UAE law, restricted activities and any required licensing. The Regulations contemplate maintaining books/records and bank accounts in the Zone and holding interests in bodies corporate carrying on business in the Zone. Regulated activities require the relevant approval/licence.

Share Capital

RAK ICC permits shares with par value or no par value and multiple share classes subject to the Memorandum and Articles. The current official 2026 fee schedule charges separately for additional share classes and capital amendments, but it does not prescribe a single universal minimum paid-up capital for an ordinary Company Limited by Shares. BRIS should therefore set capital to suit the intended structure rather than invent an outdated standard figure.

RAK ICC Local Tax Exemption

Regulation 277 remains important: a company, its distributions, interest, rents, royalties and other specified amounts, and capital gains on its securities are not subject to taxes **levied by RAK ICC or Ras Al Khaimah**. It also provides local stamp/duty exemptions subject to specified land-related exceptions.

Federal UAE Corporate Tax

The Federal Tax Authority states that a juridical person incorporated under UAE law, including applicable Free Zone regulations, is a **Resident Person for Corporate Tax**. Federal Corporate Tax therefore needs a separate analysis from the local RAK ICC exemption.

Ordinary Corporate Tax Rates

For an ordinary taxable company, the headline federal rates are **0% on taxable income up to AED 375,000** and **9% above AED 375,000**. This is not a special offshore exemption.

Small Business Relief - Extended in 2026

Ministerial Decision No. 131 of 2026 extends Small Business Relief through tax periods ending on or before **31 December 2029**. The AED **3 million annual revenue threshold** continues to apply. An eligible Resident Person that elects the relief is treated as not having derived taxable income for that tax period, subject to the statutory conditions.

QFZP 0% Free Zone Regime - Do Not Assume

The UAE Free Zone regime allows a **Qualifying Free Zone Person** to obtain 0% Corporate Tax on Qualifying Income, but it requires Free Zone status, adequate UAE substance, Qualifying Income, transfer-pricing compliance, audited financial statements and other conditions. A classic RAK ICC offshore/IBC structure should **not automatically be presented as a QFZP**. Eligibility must be verified for the exact entity, location and activities before relying on that regime.

Withholding Tax & Participation Exemption

The UAE Corporate Tax framework currently applies a **0% withholding tax rate** to relevant payments. Qualifying dividends and capital gains may also fall within the federal Participation Exemption when all statutory conditions are satisfied.

Formation Process

1. Select structure/activity **2.** Appoint RAK ICC Registered Agent **3.** Name and KYC/UBO review **4.** Prepare Memorandum & Articles **5.** Registered Agent submits application **6.** Certificate of Incorporation **7.** CT registration, banking and annual compliance

RAK ICC's official process is concise: contact a Registered Agent to provide the office address, prepare the required documents and submit the application to obtain the Certificate of Incorporation.

Typical Client Documents

• Passport/ID and recent proof of address for shareholders, directors and UBOs.

• CV/business profile and proposed principal business activities.

• Source-of-funds/source-of-wealth information and supporting evidence.

• For corporate shareholders: incorporation/registry documents, constitutional documents and full ownership chain.

• Board/shareholder resolutions and authorised signatory documentation where applicable.

• Memorandum and Articles of Association and Registered Agent appointment documents.

• Additional compliance, sanctions, business-plan or activity evidence requested under RAK ICC risk-based due diligence.

Annual Return & Renewal

Annual return is mandatory

Every RAK ICC company must deliver an annual return made up to the anniversary of incorporation/registration. Under Regulation 262, it must be delivered to the Registrar within **30 days after that anniversary date** and be accompanied by the applicable annual fee.

RAK ICC's current renewal checklist requires the **Annual Return** and updated documents where KYC documents have expired. The 2026 fee schedule gives a one-calendar-month renewal grace period; graduated late-renewal penalties begin thereafter, and prolonged non-renewal can lead to strike-off.

Accounting Records

The company must maintain records and underlying documentation covering receipts/expenditure, sales/purchases and assets/liabilities. The Regulations require these records to be retained for at least **5 years from creation**. Minutes of director/member meetings and copies of resolutions must also be kept.

Audit / Financial Statements

The general RAK ICC Business Companies Regulations require accounting and corporate records but the official sources reviewed do **not establish a universal annual public filing of audited financial statements for every ordinary IBC**. Federal Corporate Tax, QFZP claims, banking, regulated activity or other specific circumstances can nevertheless create accounting/audit obligations. BRIS should assess this case by case.

Corporate Tax Registration & Filing

As a UAE Resident Juridical Person, a RAK ICC company must comply with federal Corporate Tax registration and filing rules. Corporate Tax returns and tax due are generally filed/paid within **9 months after the end of the tax period**.

VAT

VAT depends on the company's actual UAE supplies and nexus. The standard UAE VAT rate is **5%**; mandatory registration generally begins at AED **375,000** of taxable supplies/imports under the statutory tests. An international holding or offshore structure should obtain transaction-specific VAT analysis rather than assume VAT does or does not apply.

Annual / Ongoing Compliance Checklist

• Maintain a licensed RAK ICC Registered Agent and registered address.

• Renew the IBC registration and pay current Registry/agent fees.

• File annual return within the statutory timeframe.

• Maintain current shareholder, director and UBO information.

• Notify UBO changes within the current two-week RAK ICC checklist period.

• Maintain accounting records and underlying documentation for at least 5 years.

• Maintain minutes/resolutions and statutory registers.

• Maintain federal Corporate Tax registration and file CT returns.

• Review eligibility for Small Business Relief or any other federal relief annually.

• Do not claim QFZP 0% treatment without a specific eligibility/substance review.

• Register/file VAT where applicable.

• Maintain bank AML/KYC and evidence of genuine business purpose.

2026 Official RAK ICC Government Fees

Topic	Current legal / practical position
IBC incorporation - 1 year	AED **3,250**.
IBC incorporation - 2 years	AED **6,700**.
IBC incorporation - 3 years	AED **9,600**.
IBC renewal - 1 year	AED **3,950**.
IBC renewal - 2 years	AED **7,250**.
IBC renewal - 3 years	AED **10,650**.
Complex structure	Additional official charges apply for multi-level corporate shareholders, trusts and high-risk/EDD cases.
Registered Agent	Agent's own professional/registered-office charges are separate from the RAK ICC Registry fee.

How BRIS Group Supports You

Structure & tax review - Assess whether RAK ICC IBC is appropriate versus a UAE operating Free Zone company, mainland company or another international holding vehicle.

Formation coordination - Coordinate incorporation through a licensed RAK ICC Registered Agent.

Corporate documents - Coordinate Memorandum/Articles, resolutions, corporate shareholder records and ownership chain.

KYC / UBO - Coordinate shareholder, director, beneficial-owner and source-of-funds/wealth documentation.

Corporate Tax - Coordinate federal CT registration, ordinary 0%/9% analysis, Small Business Relief and any genuine QFZP review.

Accounting / compliance - Coordinate accounting records, annual return, renewal and any audit/tax reporting required for the actual structure.

Banking - Prepare banking KYC, business-purpose and source-of-funds documentation.

Annual maintenance - Coordinate Registered Agent services, renewals, amendments and ongoing good standing.

Professional Fees & Quotations

Tailored quotation

This brochure is informational and is not a fee quotation. The 2026 RAK ICC Registry fees above are official government/registry charges. Registered Agent, BRIS professional fees, accounting/audit, Corporate Tax/VAT, certifications, banking support and optional services are additional and quoted separately.

Important Legal & Tax Notes

RAK Offshore is not automatically exempt from UAE federal Corporate Tax in 2026. Regulation 277 protects against taxes levied by RAK ICC or Ras Al Khaimah, but the federal Corporate Tax system applies separately to UAE-incorporated juridical persons. A zero federal tax result may arise through the AED 375,000 0% band, an eligible Small Business Relief election, a statutory exemption/relief or potentially QFZP treatment where every condition genuinely applies.

Official Sources Reviewed

RAK International Corporate Centre: RAK ICC Business Companies Regulations 2018; Registered Agent Regulations 2018; current Company Formation page and New Incorporation FAQ; 2026 RAK ICC Fee Schedule effective 1 January 2026; current Rules & Regulations and Registered Agent guidance.

UAE Ministry of Finance: current federal Corporate Tax legislation and Ministerial Decision No. 131 of 2026 extending Small Business Relief through tax periods ending on or before 31 December 2029.

Federal Tax Authority: Resident Juridical Person guidance, Corporate Tax FAQs/topics and Free Zone Person guidance. These federal sources control the 2026 Corporate Tax analysis rather than older generic 'offshore = tax free' marketing.

Correct BRIS tax positioning

The accurate message is: **RAK ICC provides a flexible international company regime and a local Ras Al Khaimah tax exemption, but the company remains within the UAE federal Corporate Tax framework.** Federal 0% treatment must be established under the applicable federal rules.

Information reviewed: August 2026. Activity acceptance, exact capital structure, bank acceptance, tax treatment, Registered Agent charges and any sector-specific approvals should be reconfirmed for the client's actual structure before incorporation.

PREPARED BY BRIS GROUP

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Professional incorporation and corporate administration for international clients.