

ATTRACTIVENESS OF UNITED ARAB EMIRATES

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ABSTRACT:

United Arab Emirates (UAE) has attracted a number of companies from world over and has also provided the base for many first generation entrepreneurs over the last several decades. One of the major attractions in the UAE is the ease of doing business with no taxation. However, this has been changing in recent times with the introduction of Value Added Tax in 2018 and subsequently several new regulations.

The strategic location of UAE which is almost at the center of the globe with connections to nearly 2/3rd of the earth is less than eight hours makes it one of the most sought-after location for businesses. The infrastructure provided by UAE in terms of Airports, Seaports, Telecommunication facilities, Banking, Logistics and other facilities are world class.

The attractiveness of UAE continues to be there for Small, Medium, Large companies despite the recent introduction of VAT, Excise Tax, Economic Substance Regulation and other related regulations.

Keywords: *Value Added Tax, Excise Tax, Economic Substance Regulation, Ultimate Beneficial Ownership, Business Strategy, U.A.E.*

1. INTRODUCTION:

The United Arab Emirates and Dubai in particular has been attracting lot of businesses over the past three decades. The meteoric rise of Dubai as one of the most important cities in the world over the last three decades has been remarkable and unparalleled.

The strategic location of the country at the middle of the whole world (though not exact middle) has made the country enticing. In keeping with the strategic locational advantage, the Government of UAE has developed the infrastructure very well over the last three decades. The country is going to celebrate in 2021 its 50th year of formation as a Federal Country made up of 7 independent emirates. As a young nation to compete with developed countries is truly an amazing feat achieved by this country. Dubai has competed with well-established and advanced cities like London, New York, Paris, Singapore, Hongkong and has today become one of the top 5 cities and most attractive destinations in the world.

The investment made in the infrastructure like Sea Ports, Airports, Roads, Telecommunication, etc. has certainly helped in positioning the country as one of the foremost. By its strategic location Dubai has also emerged as the mouthpiece of the whole of Middle East and thus become an important transshipment center. This has eventually helped the UAE to become an important place in the business world. In keeping with this advantage Dubai has also emerged as one of the most sought after destination for Regional and International Conferences and Exhibitions.

The attractiveness of UAE and Dubai in particular has been further supplemented by the creation of various Economic Free Zones like the Jebel Ali Free Zone, Internet City, Media City, Dubai Airport Free Zone to name a few. The economic activity is appropriately supported by the development in the