

DgTx VAT Training for Sales Executives

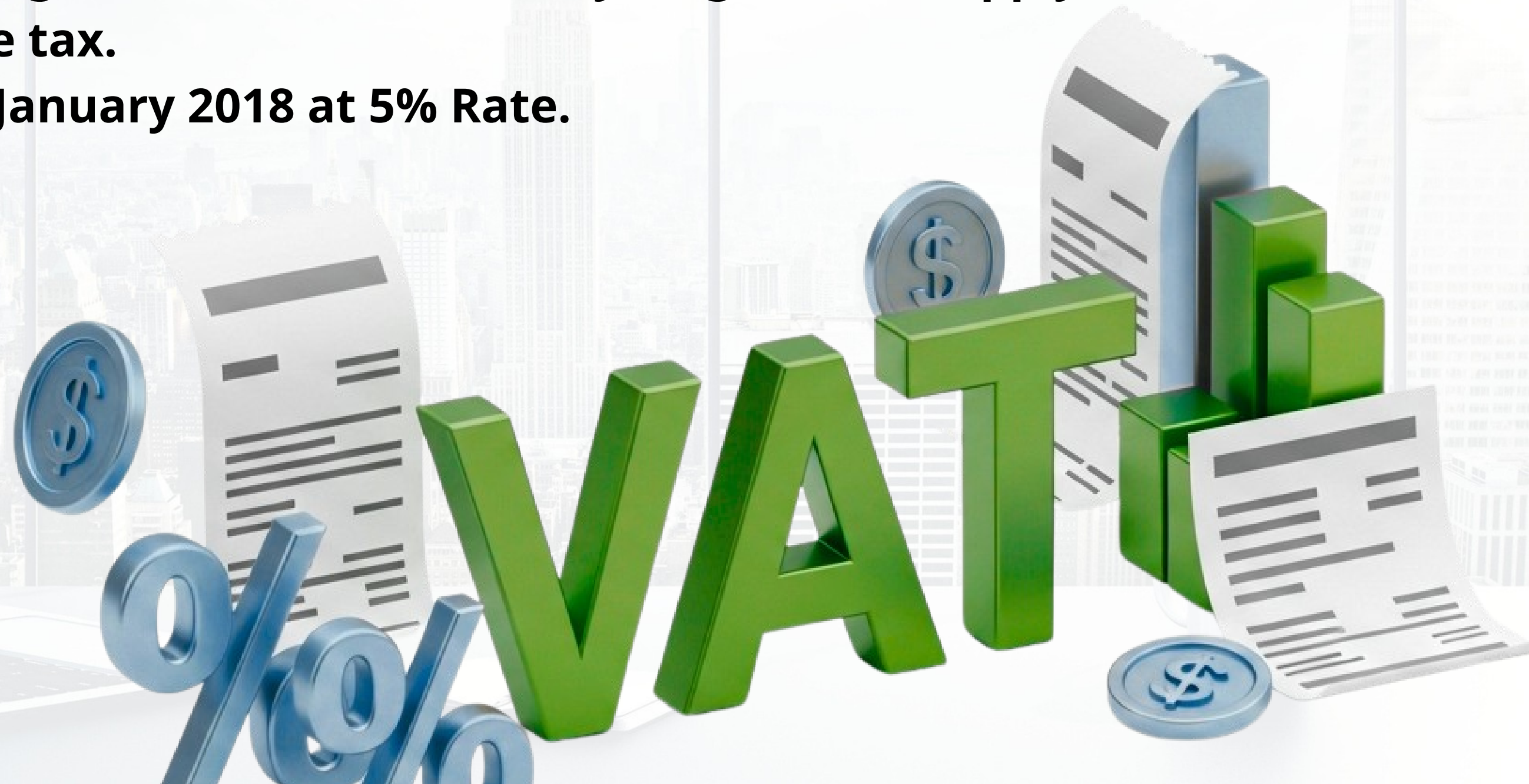
(UAE Edition)



Prepared by DgTx – Your Trusted Tax Partner in UAE

WHAT IS VAT?

- VAT = **Value Added Tax**
- Indirect tax collected on goods & services at every stage of the supply chain.
- Final consumer pays the tax.
- Introduced in UAE on 1 January 2018 at 5% Rate.

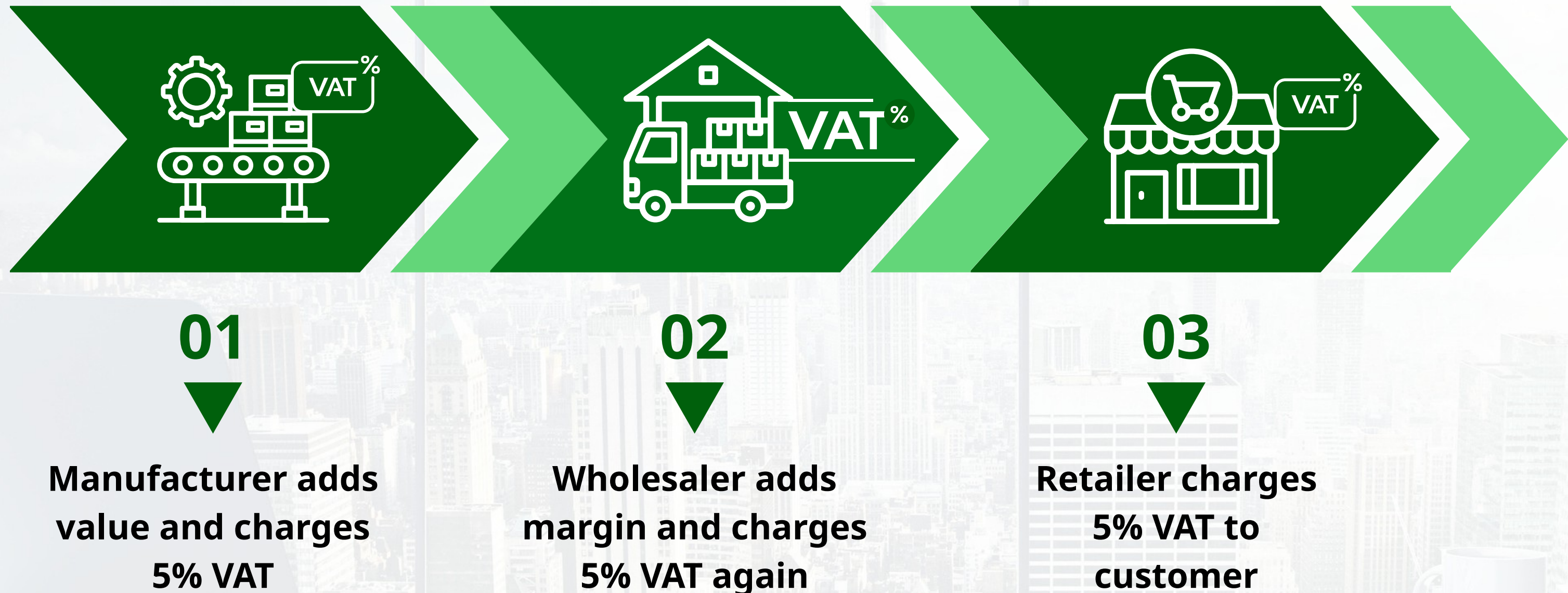


WHY VAT WAS INTRODUCED IN UAE?

- To diversify government revenue (reduce oil dependency).
- To bring UAE in line with global tax systems.
- To improve transparency and documentation in business.



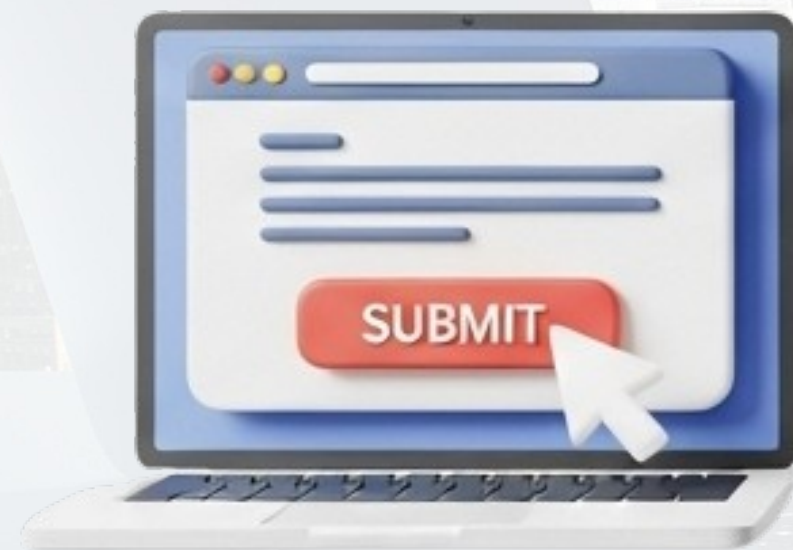
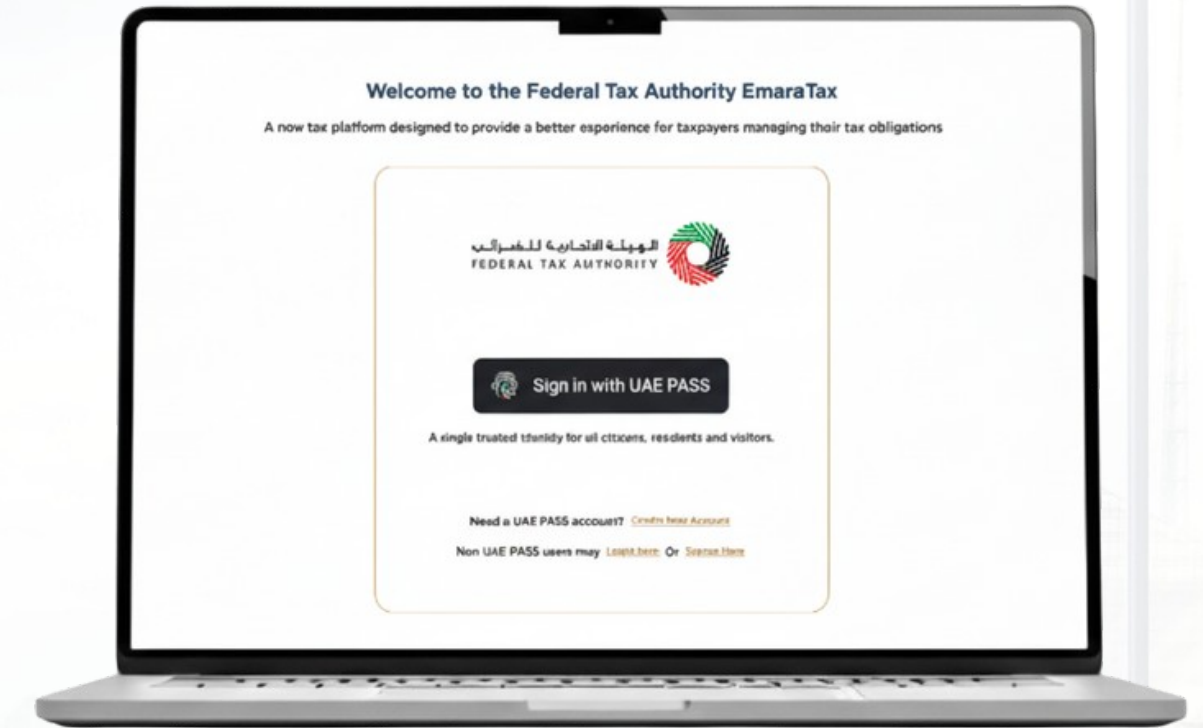
WHAT IS VAT?



- Each stage pays VAT only on value added.

WHO NEEDS TO REGISTERED

- Mandatory if turnover $\geq$ AED 375,000.
- Voluntary if turnover $\geq$ AED 187,500.
- Register online via FTA portal.
- After approval $\rightarrow$ Get TRN (Tax Registration Number).



DOCUMENTS NEEDED FOR REGISTRATION

- Trade License & MOA
- Passport & Emirates ID
- Company bank details
- Financial statements or turnover proof

MOA Memorandum of Association

Memorandum of Association is a legal document that outlines the formation and structure of a company. It is a key document required for the registration of a company in the UAE. The MOA typically includes the following information:

- Name of the company
- Registered office of the company
- Objects of the company
- Capital of the company
- Names and shares of the subscribers
- Signatures of the subscribers

PASSPORT

EMIRATES ID

63088 6818

Financial Statements

Income Statement

INCOME STATEMENT

Balance Sheet

Assets

Liabilities

Equity

Income

Expenses

Profit

Loss

Dividend

Interest

Other

Total

Net

Gross

Operating

Non-Operating

Other

Total

Net

Gross

BALANCE STATEMENT

Assets

Liabilities

Equity

Income

Expenses

Profit

Loss

Dividend

Interest

Other

Total

Net

Gross

Operating

Non-Operating

Other

Total

Net

Gross

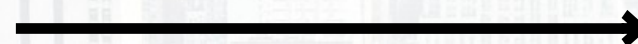
Operating

Non-Operating

Other

VAT RECORDS & DOCUMENT KEEPING

- Keep Invoices, Receipts, Contracts & Ledgers for 7 Years.
- Store Securely (Digital or Physical).
- Must be ready for FTA Audit anytime



7 Years



VAT INVOICE FORMAT

A valid Tax Invoice must include:



01



**Supplier
Name,
Address & TRN**

02



**Invoice
Number &
Date**

03



**Description
of Goods or
Services**

04



**VAT Rate &
Amount**

05



**Total
Including VAT**

FILING VAT RETURN

Usually filed quarterly through FTA portal.

- **Must Show:**
 - Output VAT (sales)
 - Input VAT (purchases)
 - Pay balance (if any) before deadline.



HOW TO PAY VAT?

Payment options:



**eDirham or
debit/credit card
via FTA portal**



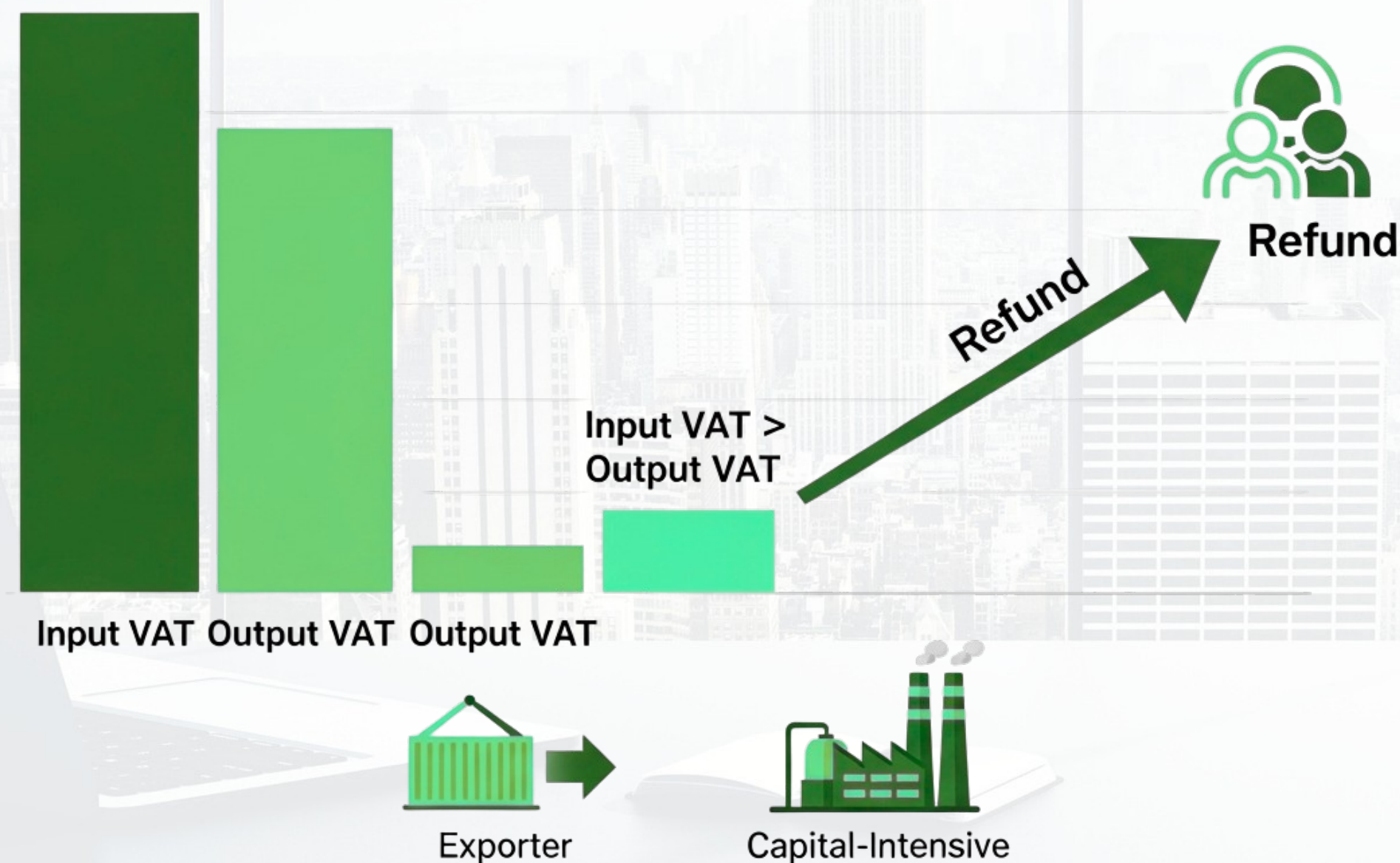
**GIBAN (bank
transfer)**



Online banking

VAT REFUND (BUSINESSES)

- Refund arises when Input VAT > Output VAT.
- Common for Exporters & Capital-Intensive Firms.
- Apply Via FTA Portal; FTA Reviews & Approves Refund.



VAT REFUND FOR UAE NATIONALS (BUILDING OWN RESIDENCE)

- UAE nationals can claim VAT on building personal residence.
- Must apply within 12 months of completion.
- Refund includes contractor & material VAT.

WITHIN 12 MONTHS
OF COMPLETION



COMMON VAT MISTAKES

- Late registration or filing.
- Missing TRN on invoice.
- Not keeping records.
- Charging VAT incorrectly (on exempt supply).



Late registration
or filing



Missing TRN
on invoice



Not keeping records



Charging VAT incorrectly
(on exempt supply)

VOLUNTARY DISCLOSURE (VD)

- Used to correct an error in a previous VAT return.
- File within 20 business days of discovering the error.
- Prevents heavier penalties.



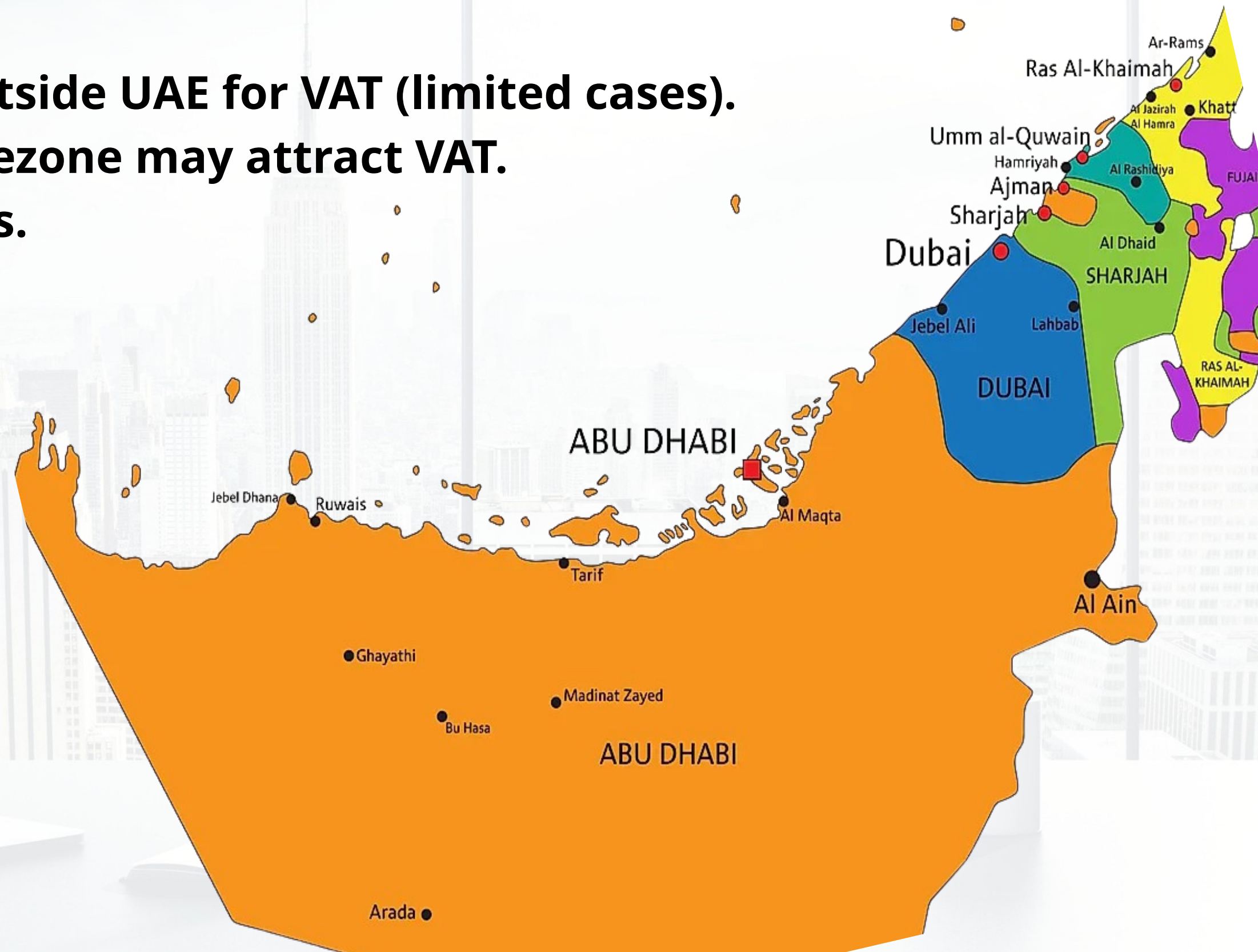
VAT ON PROPERTIES

- Residential property: First sale = Zero-rated; later sales = Exempt.
- Commercial property: Always 5% VAT.
- Rent: Residential = Exempt; Commercial = 5%



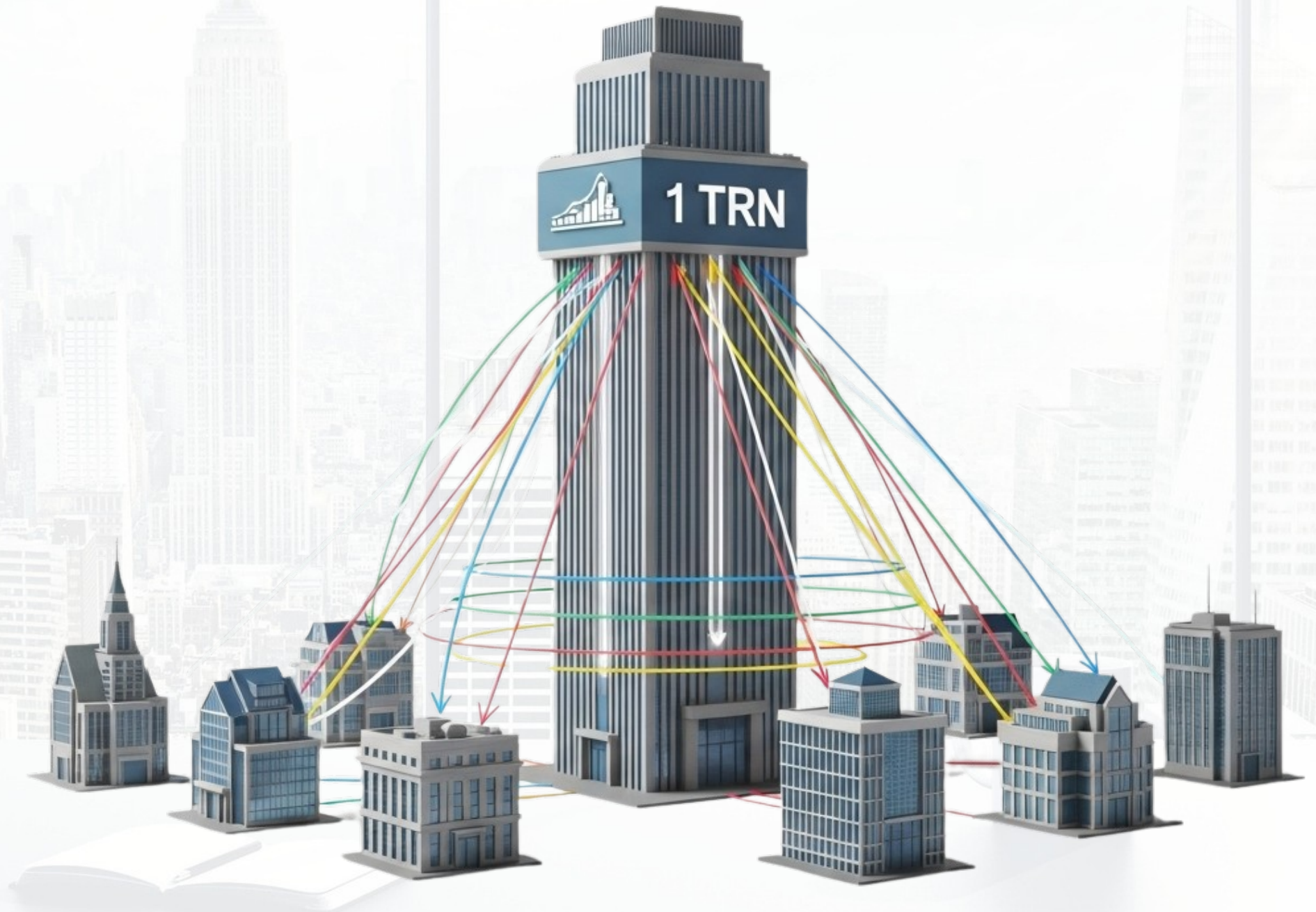
VAT IN FREEZONES

- Designated Zones = treated as outside UAE for VAT (limited cases).
- Supplies between mainland & freezone may attract VAT.
- Check FTA list of designated zones.



GROUP REGISTRATION

- Companies under same ownership can register together.
- One VAT number for the whole group.
- Internal transactions = no VAT



VAT AUDIT

- Conducted by FTA to verify records.
- Auditors review invoices, ledgers, filings.
- Keep all documents ready & consistent.



VAT PENALTIES



VIOLATION

PENALTY

Late registration

AED 10,000

Late filing

AED 1,000 - AED 2,000

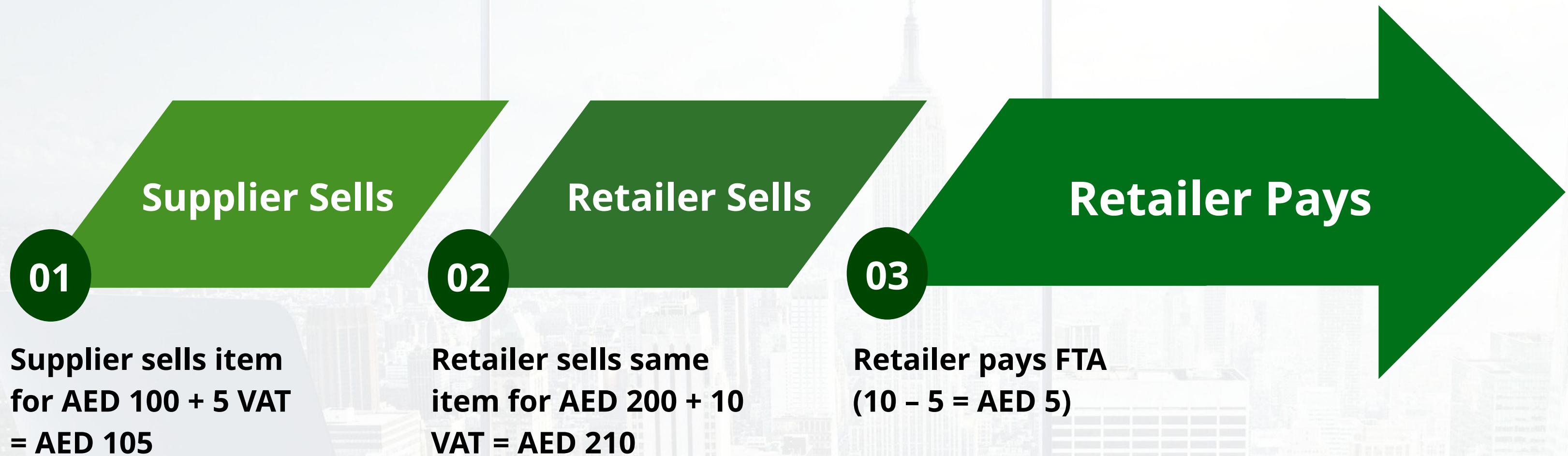
Late payment

2% + 4% monthly

Missing records

AED 10,000-50,000

REAL VAT FLOW EXAMPLE



SALES TEAM DO'S & DON'TS

DO'S	DON'TS
• Always confirm if client has TRN	• Don't give legal tax advice
• Explain importance of timely filing	• Don't promise "zero VAT" without facts.
• Promote DgTx VAT services confidently	• Don't discuss client financials beyond basic VAT details.

HOW DgTx SUPPORTS VAT CLIENTS

- **FTA-Registered Tax Agency** – Authorized to handle registration, filing & compliance.
- **End-to-End VAT Service** – Registration → Filing → Refund → Audit Support.
- **Complimentary Cloud Accounting Software** – FTA-approved, secure & easy.
- **Quarterly Auditor Visits (optional)** – Ensure compliance & financial accuracy.
- **Dedicated Support Team** – Quick responses via phone, WhatsApp & email.



DgTx ADVANTAGES OVER COMPETITORS

- Trusted by 5,000+ UAE Businesses since 2017.
- Filled over 35000+ VAT filing
- An ISO certified company
- FTA-Compliant Process & Documentation.
- Trained Auditors and Accountants handle each client file.
- Affordable Packages with clear pricing (no hidden fees).
- Local Presence: Offices in Dubai, Sharjah & Abu Dhabi.



COMMON OBJECTIONS FROM CLIENTS (VAT)

CLIENT OBJECTION	DgTx REPLY
"We already have an accountant."	• "That's great — we work with accountants. They handle bookkeeping; we ensure FTA compliance and filing accuracy."
"Another company/freelancer is Cheaper"	• "Many are unlicensed. DgTx is an FTA-registered firm, meaning your filings are legally protected. Our price includes free software and audit support".
"We'll do it ourselves."	• "FTA portal is public, but one wrong entry can lead to AED 10,000+ penalties. We file 100% accurately and handle future clarifications."
"We are already registered."	• "Perfect! We can still prepare your quarterly VAT returns and ensure you claim all eligible input VAT."
"I don't want to share my data."	• "Your data stays on a secure, cloud-based system authorized by FTA. We never access client accounts without consent."

HANDLING DIFFERENT CLIENT TYPES

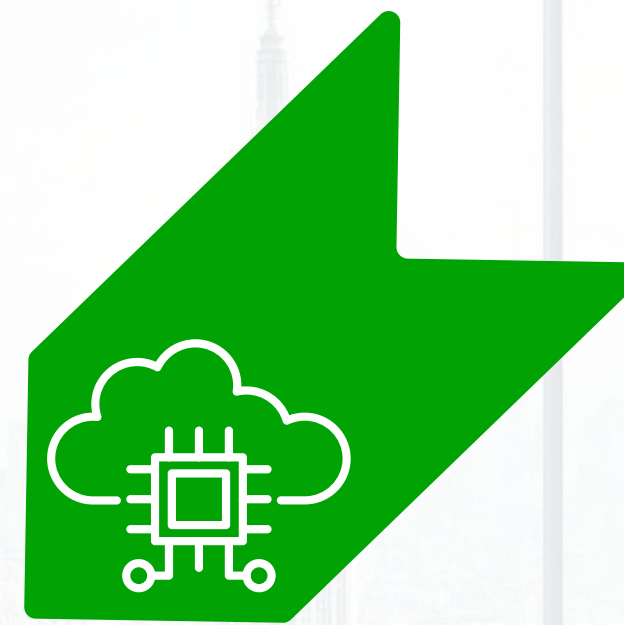
- **Price-sensitive:** Focus on value, risk of penalties.
- **Freelancer-led:** Emphasize DgTx's FTA accreditation.
- **Existing accountant:** Offer collaboration.
- **Linked companies:** Suggest group filing.
- **Doubtful client:** Offer free consultation or file review.



WHY CLIENTS CHOOSE DgTx?

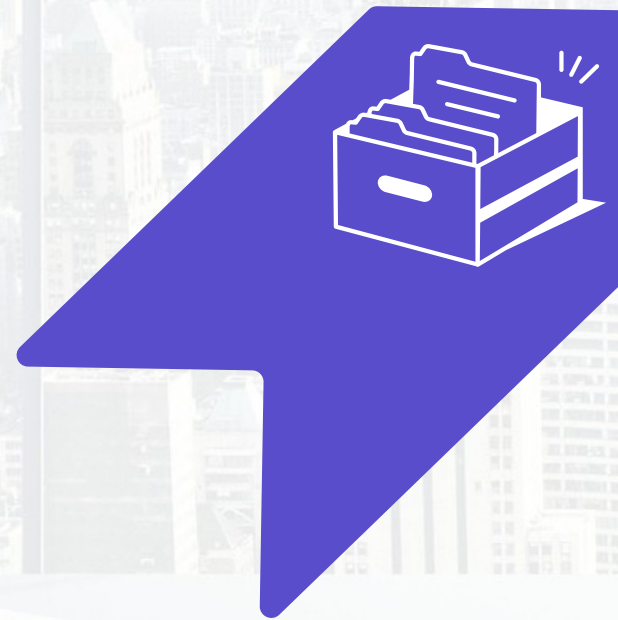
Reliability

Always on time, always compliant



Innovation

Cloud-based software with VAT automation



Partnership

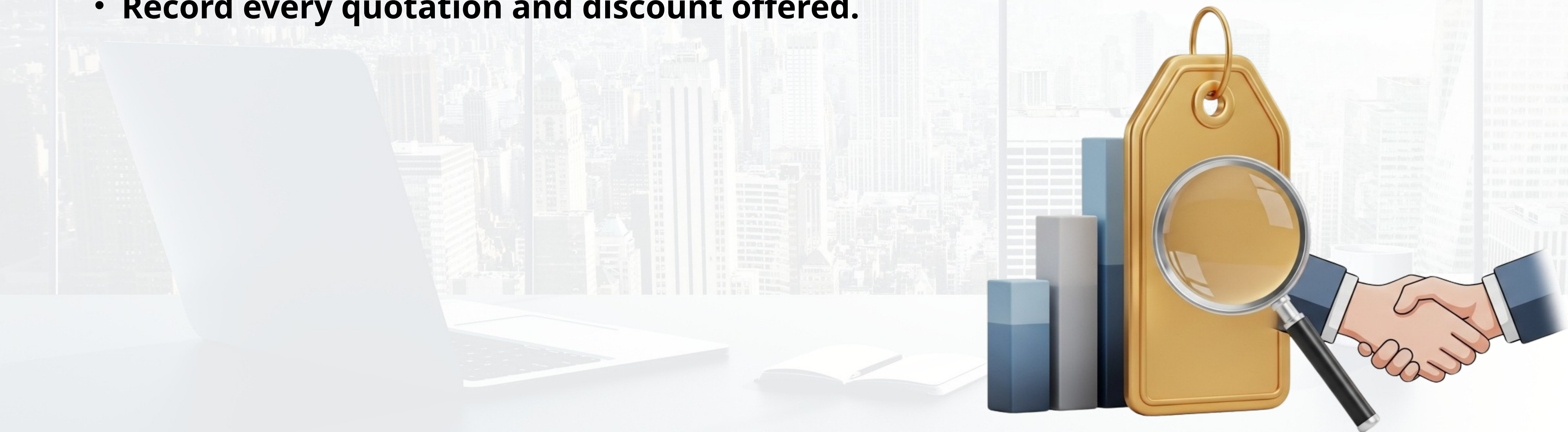
We guide clients year-round, not just at filing time.

Transparency

Every client gets a clear report of filings and payments.

PRICING GUIDELINES & SALES TIPS

- Always quote Standard Price first, then offer discount.
- Highlight value, not just price — FTA compliance, free software, and expert filing.
- Use DgTx credibility: FTA Registered, 7+ years in UAE, 5,000+ clients.
- For VD or complex audit cases → tag Team Leader in CRM.
- Record every quotation and discount offered.



QUICK REVIEW QUIZ

Q1. What is VAT Rate in UAE?

Q2. Who Issues TRN?

Q3. What's Penalty for Late Filing?

Q4. Can UAE National get Refund on Own Villa?



CONTACT

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