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UAE Cabinet Resolution No. (88) of 2021 Concerning the Amendment of Some Provisions of Cabinet Resolution No. (52) of 2017 Concerning the UAE VAT Executive Regulations

Article 51

Section 5. Where a supply of Goods is made within a Designated Zone to a Person to be consumed by him or another person, then the place of supply shall be the State, except in any of the following situations:

- a. The goods are to be incorporated into, attached to or otherwise form part of are used in the production of another Good located in the same Designated Zone and itself is not consumed.
- b. It has been delivered to a place outside the country, with the supplier keeping commercial or official and customs evidence that the goods have been removed from the Designated Zone.
- c. It was taken out of the Designated Zone to a place inside the country, with the supplier keeping official evidence proving that VAT has been applied to this import.

(...)

Section 7. As an exception to Clause (6) of this Article, the place of supply of services is outside the State when the services of transport or shipping directly relate to goods which are delivered outside the State, in accordance with paragraphs (b) and (c) of Clause (5), and the following conditions need to be met simultaneously:

- a. The shipping or delivery services are provided by the supplier of the goods himself
- b. The supplier of goods is non-resident and not registered for tax.
- c. these goods are sold through an electronic sales platform. An electronic sales platform is defined as any type of online selling platform, including electronic websites and applications, which brings together third parties sellers and buyers, and through which it is possible to buy and sell goods with or without shipping or delivery services.
- d. The person who owns the electronic sales platform should not be the supplier of goods.

The changes enter into force 15 days as from the publication.

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