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ELYSIAN CONSULTING GROUP

YOUR COMPLIANCE PARTNER IN THE UAE

WEEKLY NEWSLETTER



INSIGHTS

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NOVEMBER DEADLINES

28 & 30 NOVEMBER 2026

SAT 28 NOV

Sat 28 Nov: October VAT return for monthly filers — the first return under FTA Decisions 13/2026 and 17/2026 and Cabinet Decision 149/2026 (Issue 23).

MON 30 NOV

Mon 30 Nov: Pillar Two Top-Up Tax registration for in-scope multinational groups — 24 days away (Section 02).

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CABINET DECISION 173/2026: NEW E-INVOICING PENALTIES – AED 50,000 CAP, OUTAGE FINE SCRAPPED, ONE PENALTY PER VIOLATION

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On **30 October 2026** – the day the ASP appointment deadline fell – the Ministry of Finance announced Cabinet Decision No. 173 of 2026 on violations and administrative penalties under the e-invoicing legislation. It repeals Cabinet Decision 106/2025 (Issue 03) and follows stakeholder feedback. The biggest change: the monthly penalty for failing to implement the system is now **capped at AED 50,000 in any 12 consecutive months**. Voluntary e-invoicing remains outside the penalty regime.

IMPLEMENTATION PENALTY CAP

AED 50,000

In any 12 consecutive months · AED 5,000 initial + AED 5,000 per further month

The New Schedule vs Cabinet Decision 106/2025

FAILURE TO IMPLEMENT / APPOINT

- AED 5,000 for the first violation
- Plus AED 5,000 per further month or part of a month
- NEW: capped at AED 50,000 in 12 consecutive months (no cap before)

INVOICES & CREDIT NOTES NOT ISSUED

- AED 100 per e-invoice or e-credit note not issued and transmitted
- Capped at AED 5,000 per calendar month
- Invoice and credit-note caps apply separately

DATA CHANGES NOT NOTIFIED

- AED 250 per day or part of a day (previously AED 1,000)
- NEW: capped at AED 5,000 per calendar month
- Applies to changes in data registered with the FTA

REMOVED OR CLARIFIED

- System-failure notification penalty (AED 1,000/day) removed
- Matches MD 197/2026, which repealed the duty (Issue 23)
- Same person as issuer and recipient: one penalty only

COMMENCEMENT · THE RULE

- Takes effect the day after Official Gazette publication
- MoF announced the Decision on 30 October
- Repeals Cabinet Decision 106/2025 (Issue 03)

COMMENCEMENT · CHECK THE GAZETTE

- One commentary reports a Gazette dated 14 October, effective 15 October
- The regime near the 30 October deadline depends on that date
- Confirm against the Gazette before advising on any penalty

What the Numbers Mean in Practice

- **A business that missed 30 October:** The exposure is AED 5,000 for the initial violation, then AED 5,000 for each further month or part of a month. On reported figures, it reaches the AED 50,000 cap after nine further months. Appointing in November keeps it near the bottom of that range.
- **After go-live, invoices are the real risk:** AED 100 per invoice sounds small, but a billing system that fails silently can hit the AED 5,000 monthly cap within days – and a separate AED 5,000 for credit notes. Monitoring rejected and unsent documents becomes a daily control.
- **Master-data changes need a process:** A change of trade name, address or TRN details registered with the FTA must reach the provider promptly. At AED 250 a day, a month-long lag still costs up to AED 5,000.
- **Outages are no longer a penalty trigger:** With the notification duty and its penalty both removed, system failures become an operational issue to manage with the provider, not a reporting deadline.

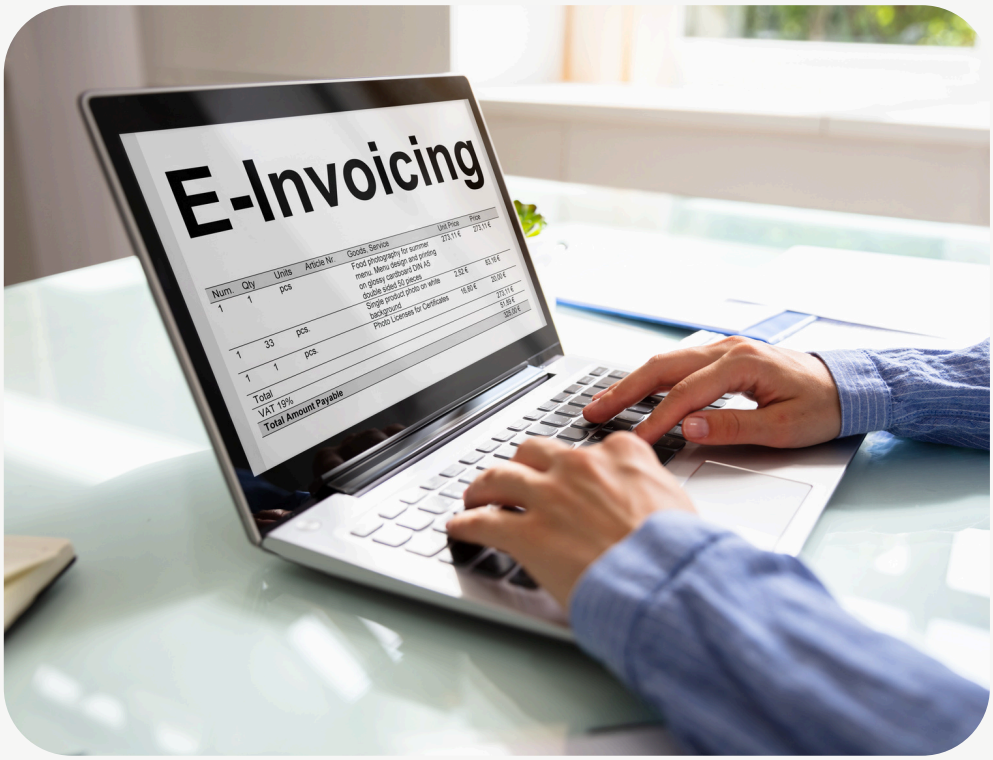
Commencement – Check Before You Rely on It

- **The rule:** The Decision takes effect on the day after its publication in the Official Gazette.
- **The uncertainty:** The Ministry announced it on 30 October, but one commentary reports that it appeared in an Official Gazette dated 14 October, which would make it effective from 15 October. Which regime applies to a violation around the 30 October deadline depends on that date – confirm it against the Gazette before advising on any penalty.

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What Clients Should Do Now

- **If the appointment slipped, appoint now:** Every month counts until the cap. Record the appointment date and any provider-side delay for a possible reconsideration request.
- **Build a daily exception report for go-live:** Invoices and credit notes rejected, unsent or unacknowledged by the provider, with an owner to clear them the same day.
- **Link master-data changes to the provider:** Any change filed with the FTA on EmaraTax should trigger an update to the provider the same week.
- **Update client advice and proposals:** Replace references to Cabinet Decision 106/2025 and the uncapped monthly penalty with the Decision 173/2026 schedule.



Cabinet Decision 173/2026 makes the e-invoicing penalties more proportionate: an annual cap on implementation failures, a lower fine for late data updates, no outage-notification penalty and no double penalties. It does not remove the per-invoice exposure that starts on 1 January – that is where controls should now focus.

PILLAR TWO: 24 DAYS TO TOP-UP TAX REGISTRATION (30 NOVEMBER) – A FINAL CHECKLIST

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The first **Top-Up Tax registration deadline under FTA Decision 12/2026 falls on Monday 30 November 2026. Who registers:** UAE constituent entities of groups with consolidated revenue of EUR 750 million or more in at least two of the four preceding years – the scope of the UAE Domestic Minimum Top-Up Tax – for groups whose first in-scope financial year started on 1 January 2025. We covered the framework in Issues 15 and 18; this is the final checklist. **Registration is required even where a safe harbour is expected to reduce the top-up tax to nil.**

The Final Checklist

- **Confirm the revenue test from the consolidated accounts:** Use the ultimate parent's consolidated financial statements for the relevant four years, not UAE turnover.
- **List every UAE constituent entity:** Include free zone entities, branches and permanent establishments. Check each one's EmaraTax account and authorised signatory now.
- **Agree the registration approach with group tax:** Confirm which entities register and how the group's filing entity will be designated for the information return (MD 133/2026).
- **Register by Thursday 26 November:** Leave a working-day buffer before the Monday deadline. A late registration is reported to carry an AED 10,000 penalty per entity.
- **Start the data plan for the first information return:** The filing framework under MD 133/2026 needs GloBE data by entity. Agree who prepares it and when.

Who Registers, and What Goes Wrong

IN SCOPE

- UAE constituent entities of in-scope MNE groups
- Group revenue ≥ EUR 750M in 2 of the 4 preceding years
- First cycle: FY starting 1 January 2025

COMMON MISTAKES

- Assuming the Corporate Tax registration covers Top-Up Tax
- Assuming a CT Tax Group registers as one
- Waiting for safe-harbour results before registering



Top-Up Tax registration is an administrative step, but it is entity-by-entity and the penalty is per entity. Groups that start in the last week of November risk EmaraTax access or signatory problems. Confirm scope and the entity list this month and file by 26 November.

OIL DROPS 9% ON PEACE HOPES, FUEL PRICES FALL FOR NOVEMBER, UAE FIRMS RAISE PRICES AT A RECORD PACE

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What It Means for UAE Clients

- **Fuel-sensitive operators:** November brings the first relief in four months, but only 5 fils on diesel. If Brent stays near $95, December prices could fall further – review fuel surcharges so they adjust down as well as up.
- **Pricing and margins:** With selling prices rising at a record pace, customers will push back on 2027 renewals. Document the cost drivers behind each increase.
- **Inventory-heavy businesses:** Lower oil and freight costs could ease purchase prices into 2027. Avoid over-stocking at today's prices.
- **Treasury & FX teams:** A December hike is still the base case. Keep Q4 funding plans on a 4.00–4.25% Fed range despite the oil relief.

The week turned on oil. **Brent fell nearly 9% on 4 November** to settle at **$94.62/bbl** – its lowest since 31 August – on hopes of a diplomatic end to the regional conflict, after Qatari-mediated talks reportedly centred on reopening the Strait of Hormuz. At home, November fuel prices fell 24 fils/L on petrol, the first cut after three increases. But the October UAE PMI showed firms raising selling prices at **the fastest rate since the survey began in 2009**.

UAE Fuel – October vs November 2026

OCTOBER 2026

Super 98 — AED 4.40/L
Special 95 — AED 4.28/L
E-Plus 91 — AED 4.21/L
Diesel — AED 4.80/L

NOVEMBER 2026

Super 98 — AED 4.16/L (−AED 0.24)
Special 95 — AED 4.04/L (−AED 0.24)
E-Plus 91 — AED 3.97/L (−AED 0.24)
Diesel — AED 4.75/L (−AED 0.05)

The Numbers That Moved

UAE PMI · OCTOBER

54.8 · Dubai 54.6

- UAE down from 55.3; Dubai at an eight-month high
- Selling prices: record rise since 2009
- Input costs: fastest since June 2022

OIL & GOLD · 4–5 NOVEMBER

Brent ~$95 · Gold ~$4,130/oz

- Brent −9% on 4 Nov; lowest since 31 Aug
- Gold up to a two-week high near $4,147
- December Fed hike priced at about 81%

What Happened Under the Hood

- **Oil is pricing hope, not a deal:** Brent fell from above $113 at the end of October as weekend mediation produced a draft proposal centred on reopening Hormuz. Analysts warned that this is "hope, not a deal" and that prices could return to $120 if tensions flare again.
- **Costs are reaching customers:** UAE firms raised selling prices at the sharpest rate in the survey's history, passing on higher raw-material, fuel, freight, storage and rent costs. Employment fell slightly as some firms cut staff to protect margins.
- **But demand held up:** New orders grew faster than in September, export orders rose at the quickest pace in two years, and business confidence reached its highest since January.
- **The Fed path is unchanged:** Markets still price a December hike at about 81%. US October payrolls are due today, and October CPI on 10 November.

Three signals into December: (1) progress – or a breakdown – in the regional talks, which now drives Brent more than anything else; (2) US October CPI on 10 November and the 8–9 December FOMC; (3) the end-November announcement of December UAE fuel prices. For UAE CFOs, treat lower oil as a possible upside for 2027 costs, not yet a base case.

YOUR COMPLIANCE CALENDAR

Refreshed for the next **11** months.

DATE	WHAT'S DUE / WHAT KICKS IN
10 Nov 2026 (Tue)	US October CPI – the last major inflation print before the December FOMC.
16 Nov 2026 (Mon)	Excise Tax return for October 2026 due.
28 Nov 2026 (Sat)	VAT return for October 2026 (monthly filers) – the first return under FTA Decisions 13/2026 and 17/2026 and Cabinet Decision 149/2026.
30 Nov 2026 (Mon)	Pillar Two Top-Up Tax registration (Decision 12/2026) AND Pillar Two Information Return filing framework (MD 133/2026) – first cycle for FY starting 1 Jan 2025.
8–9 Dec 2026	FOMC meeting – about 81% priced for a 25bp hike. Dirham peg tracks USD.
31 Dec 2026 (Thu)	FTA Decision 15/2026 – exemption deadline for CD 55/2025 and CD 34/2025 cohorts. Also Top-Up Tax deregistration for entities ceased pre-30 Jun 2026.
1 Jan 2027 (Fri)	Mandatory e-Invoicing go-live for businesses ≥ AED 50M. Per-document penalties under Cabinet Decision 173/2026 can apply. VAT group grace period begins.
31 Mar 2027 (Wed)	ASP appointment deadline for businesses < AED 50M and government entities.
1 Jul 2027 (Thu)	Mandatory e-Invoicing go-live for businesses < AED 50M (government entities: 1 Oct 2027).
31 Dec 2028 (Sun)	VAT group e-invoicing grace period ends; intra-group supplies enter the system from 1 Jan 2029.
31 Dec 2029 (Mon)	Small Business Relief window closes (extended by MoF MD 131/2026 from 31 Dec 2026).

FREE E-INVOICING PENALTY & READINESS CHECK

LET'S TALK

Book a free 30-minute E-Invoicing Penalty & Readiness Check

Missed the 30 October appointment, or worried about per-invoice penalties from 1 January? Send us your provider contract (or shortlist), a sample of invoices and credit notes, and your FTA registration details. We'll assess your exposure under Cabinet Decision 173/2026, identify the controls you need before go-live, and give you a written action list. No obligation.

To book, write to me directly:

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