

Tax Disputes Before the Tax Disputes Resolution Committee

An Overview

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Speaker's Profile

Marwan Alnooryani is a Senior Tax Associate at **Habib Al Mulla and Partners** with extensive experience in taxation from both governmental and private sectors. His role involves providing strategic tax consultations, resolving complex tax disputes, and optimizing tax strategies for clients. With a background as a Tax Policy Specialist at the **Federal Tax Authority (FTA)**, Marwan has been instrumental in shaping tax policies and representing the UAE in international forums. His expertise in tax dispute resolution, strategic planning, and policy development makes him a key asset to the UAE tax environment and a trusted advisor to clients.



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“Does running water stop when it reaches a rock? Of course **not**. It turns either left or right, **and continues its way.**”

Mohammed bin Rashid Al Maktoum, Flashes of Thought

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Article 30 – Tax Disputes Resolution Committee

1. One or more permanent committees shall be formed known as the “Tax Disputes Resolution Committee”, chaired by a member of the judicial authority and two expert members registered in the register of tax experts to be appointed by a decision by the Minister of Justice in coordination with the Minister.
2. A Cabinet decision shall be issued regarding the Committee's bylaws, the remuneration of its members, and the procedures it shall follow.

What is the TDRC?

Article 31 - Jurisdictions of the Committee

The Committee shall have jurisdiction to:

1. Decide in respect of objections submitted regarding the Authority's decisions on reconsiderations requests.
2. Decide in respect of reconsideration requests submitted to the Authority where the Authority has not made a decision on them according to the provisions of this Decree-Law.
3. Any other jurisdictions entrusted to the Committee by the Cabinet.

Requirements to Object to the Tax Disputes Resolution Committee

Requirements to Object to the TDRC

Article 32 – Procedures for Submitting the Objection and Cases of Non-Acceptance

1. An objection to the Authority's decision in respect of a reconsideration request shall be submitted within (40) forty Business Days from the date of being notified of the Authority's decision.
2. An objection submitted to the Committee shall not be accepted in any of the following instances:
 - a. If a reconsideration request has not been previously submitted to the Authority.
 - b. If the Tax in connection with the objection has not been paid in full.

Tax Disputes Resolution Committee Proceedings

TDRC Proceedings

In practice, proceedings of the TDRC are typically as follows:

1. Submission of an objection memorandum to the TDRC, either in personal capacity **or through a lawyer**.
2. Receipt of a **detailed** response memorandum submitted by the FTA to the TDRC.
3. Exchange of memorandums between the FTA and Taxable Person.
4. Issuance and communication of a decision by the TDRC, or lack thereof, within 25 business days.

Potential Outcomes of an Objection to the Tax Disputes Resolution Committee

Potential Outcomes of an Objection to the TDRC

The potential outcomes of an objection to the TDRC are as follows:

- Non-issuance and communication of a decision within 25 business days, or the extended timeline (if any).
- Acceptance of the Taxable Person's position in full.
- Rejection of the Taxable Person's position in full.
- Acceptance / Rejection of the Taxable Person's position in full.

Judicial Principles Relevant to the Tax Disputes Resolution Committee

Case No. 199 of 2020

*“Given that the legislator established the court's jurisdiction solely in connection with the issuance of a decision by the Tax Dispute Resolution Committee, **judicial review of legality is therefore limited to this decision. Consequently, it is impermissible for the judiciary to go beyond this by examining reasons not included in the Committee's decision.**”*

Federal Supreme Court - Case No. 199 of 2020 (Administrative) – Hearing of 29 June 2020

Case No. 1498 of 2022

“[...] for a taxpayer’s objection to be considered as having been filed to the TDRC, it has to be filed electronically, regardless of its form. The purpose of this [is] to ascertain the taxpayer’s insistence on challenging the Reconsideration Committee’s decision [...]. Given that this is the intended purpose of the objection and the legislator’s intent, [...] if the circumstances reveal that the taxpayer has taken the necessary steps in any form, insisting on a specific format or additional documentation under such conditions is both unjustified and futile.”

Federal Supreme Court - Case No. 1498 of 2022 (Administrative) – Hearing of 18 October 2023

Case No. 726 of 2024

*“If it is established that the taxpayer **did not settle the tax due before submitting their objection** to the Tax Disputes Resolution Committee, and despite this, the committee adjudicated the objection favorably, the committee's decision in this case would be deemed **unlawful**, as the committee should have rejected the objection. Therefore, if the FTA appeals the committee's decision to the competent court, the **court should annul the decision** on the grounds that the objection was not to be accepted by the committee.”*

Federal Supreme Court - Case No. 726 of 2024 (Administrative) – Hearing of 10 July 2023



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