

# UAE Pillar Two Registration is Now Live on EmaraTax

The UAE has moved from Pillar Two legislation to practical compliance. Registration readiness is now a priority for large multinational groups with UAE Constituent Entities.



# Pillar Two is now an operational compliance requirement

الهيئة الاتحادية للضرائب  
FEDERAL TAX AUTHORITY



The Federal Tax Authority has launched the Pillar Two Top-up Tax registration module on the **EmaraTax portal**.

This means in-scope groups now need to move from technical assessment to practical execution, including:

- 01 Confirming whether the group meets the **Pillar Two revenue threshold**
- 02 Identifying UAE **Constituent Entities (CE)**
- 03 Determining the **appropriate registration route**
- 04 Preparing **group structure and entity-level information**
- 05 Collecting **authorisation** documents
- 06 **Aligning** finance, tax, legal, and reporting teams



For large MNE Groups, UAE Pillar Two compliance has entered the **implementation phase**.

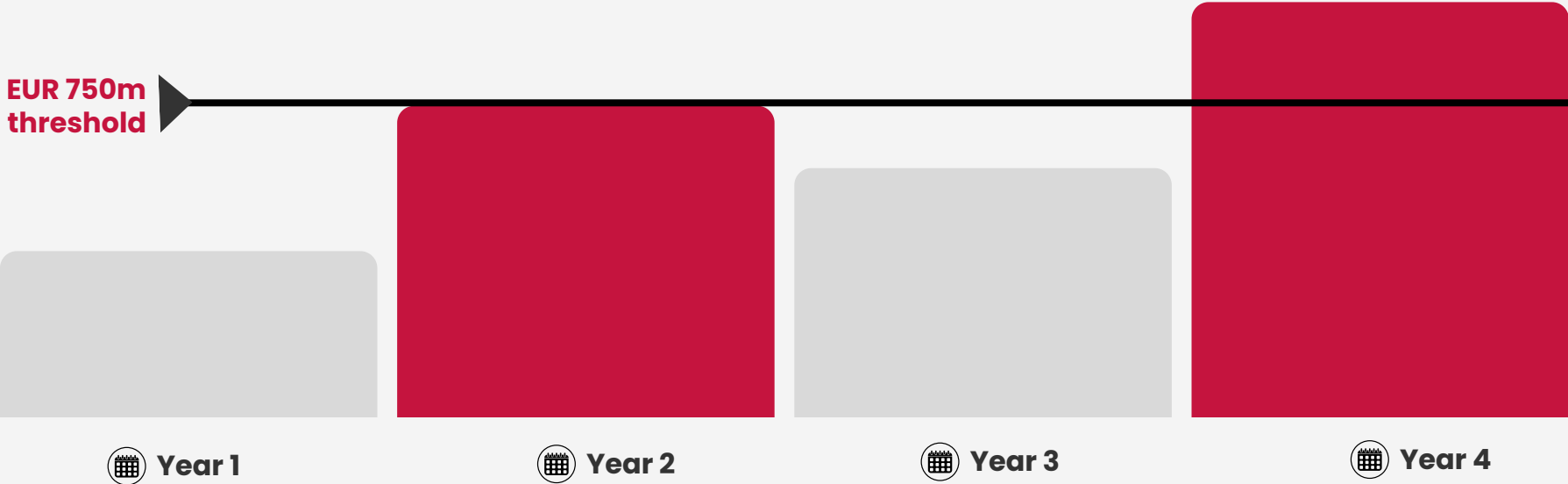
# Who is in Scope?

## The EUR 750 million test

MNE Groups are required to consider UAE Pillar Two registration where the group has consolidated global revenue of:

**EUR 750 million or more**

in at least 2 of the 4 fiscal years immediately preceding the tested fiscal year.



Groups may also be in scope under modified threshold rules where there has been a:

- Merger
- Acquisition
- Demerger
- Restructuring

**These rules are relevant under Article 6.1 of Cabinet Decision No. 142 of 2024.**

The UAE Pillar Two rules are applicable for fiscal years beginning on or after 1 January 2025. Groups should not assess the threshold only on the latest financial year. The test requires a look-back **across the preceding four fiscal years.**

# UAE DMTT targets low-taxed UAE profits

The UAE Domestic Minimum Top-up Tax (DMTT) is part of the OECD Pillar Two framework and is intended to ensure that in-scope MNE Groups pay a minimum effective tax rate of 15% on UAE profits.

**Where the UAE effective tax rate falls below 15%, a Top-up Tax may become payable.**

## **This is especially relevant for groups with:**

- UAE holding structures
- Free zone entities
- Regional headquarters
- UAE branches or permanent establishments
- Joint ventures or JV subsidiaries
- Complex multinational ownership chains



The registration step is not just administrative. It is the entry point into a **broader Pillar Two compliance framework.**

# The registration route depends on whether a DDFE is appointed

The route depends on whether a Domestic Designated Filing Entity (DDFE) has been appointed.

## Does the group have a DDFE?

### YES: DDFE Route

- ✓ One UAE entity registers and acts on behalf of all UAE Constituent Entities.
- ✓ Centralised process. Better consistency. More upfront coordination.

### NO: Individual CE Route

- ✓ Each UAE Constituent Entity registers independently.
- ✓ Available only where no DDFE exists for the group.

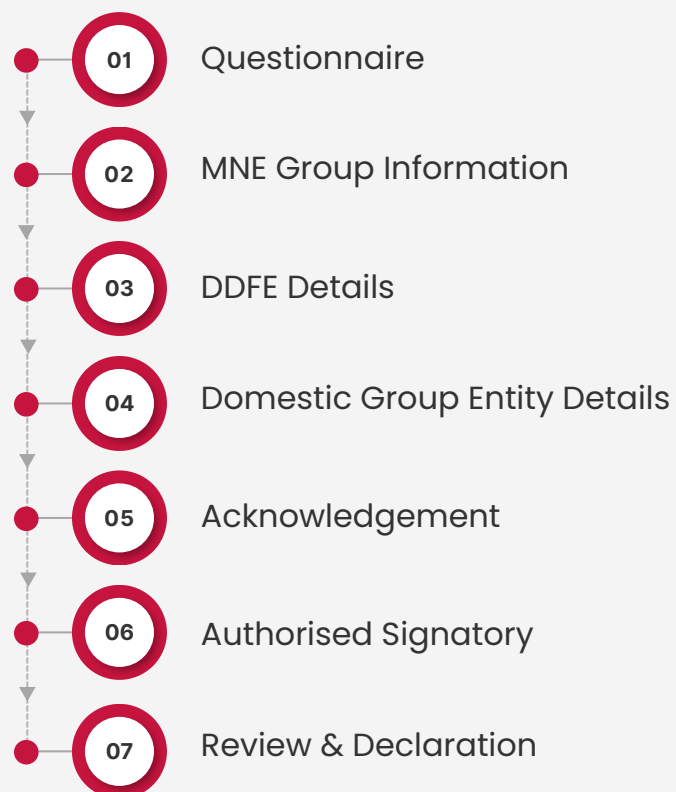


Route selection should be documented **before portal submission.**

# Route 1: DDFE Registration

## *Centralised registration through one UAE entity*

Under the DDFE route, one UAE entity registers on behalf of all UAE Constituent Entities.



This route is suitable where the group wants a coordinated registration process and a single UAE entity to manage registration on behalf of the UAE group members.



The DDFE route requires **coordination across UAE Constituent Entities** because authorisations and acknowledgements may be required.

# DDFE registration requires group-level and entity-level readiness

***Before starting the DDFE route, groups should prepare:***

- MNE Group Information
- Ultimate Parent Entity details
- DDFE details
- UAE and non-UAE corporate structure chart
- UAE Constituent Entity details
- Authorised signatory information
- Letters of Authorisation from each UAE CE appointing the DDFE
- Designated Local Entity authorisation, if applicable
- Supporting documents in acceptable formats



The DDFE path **reduces duplication** but increases the need for upfront coordination.

# Route 2: Individual Entity Registration

## **Available only where no DDFE exists**

Where there is no Domestic Designated Filing Entity, each UAE Constituent Entity registers independently.



This route may be more decentralised, but it requires each UAE entity to independently ensure accuracy and completeness of its registration.



Groups with multiple UAE entities should carefully evaluate whether individual registration may create **duplication, inconsistency, or governance gaps.**

# Individual Entity Registration requires documents

## *Documentation is the critical path*

In-scope groups should begin collecting the following documents:

- UPE name and TIN verification, if the UPE is outside the UAE
- Designated Filing Entity name and TIN verification, if outside the UAE
- Full MNE corporate structure chart covering UAE and non-UAE entities
- Letter of Authorisation appointing the Designated Local Entity, if applicable
- Additional supporting documents, where required or useful

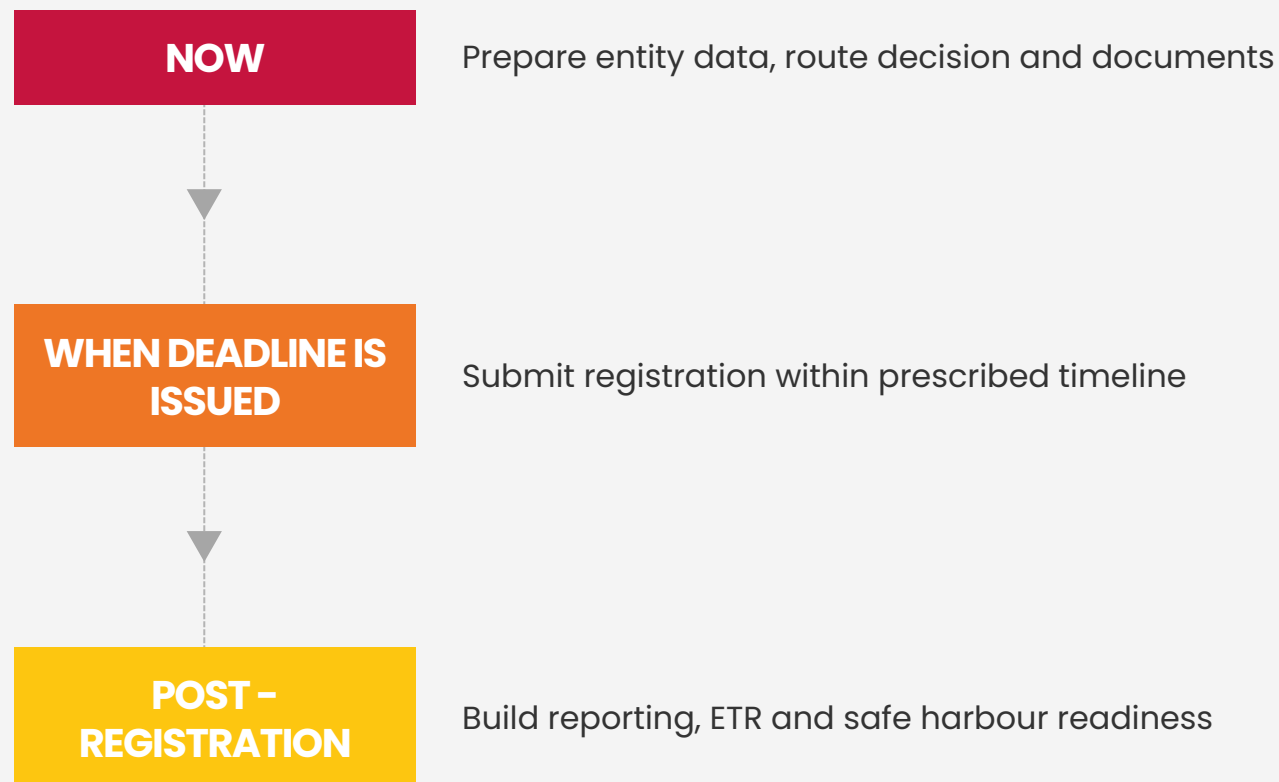


For large groups, documentation **may take longer than the actual portal submission.**

# Portal live. Deadline guidance awaited.

***The portal is live, but formal deadline guidance is still awaited***

Penalties are expected to apply once the prescribed registration timeline is announced.



**Do not wait for the deadline to begin preparation.**

# Registration is only the first layer of readiness

*The broader programme should cover ETR exposure, safe harbours, data, systems and governance.*



# Operational readiness may be the real bottleneck

*The form may be simple; the data and coordination behind it may not be.*

- Missing authorisation letters
- Unclear DDFE appointment
- Incomplete UAE entity mapping

- Inconsistent UPE / TIN details
- Unclear CE / JV / PE classification
- Delayed group approvals

- Documented positions
- Owner matrix
- Pre-submission review

# Six priorities for in-scope groups

*A practical roadmap to move from assessment to action.*

- 01 ▶ Confirm scope using the 4-year EUR 750m test
- 02 ▶ Map all UAE Constituent Entities, JVs, branches and PEs
- 03 ▶ Choose DDFE or individual CE registration route
- 04 ▶ Prepare structure charts, TIN verification and authorisations
- 05 ▶ Align tax, finance, legal and reporting teams
- 06 ▶ Assess ETR, safe harbours, data gaps and reporting roadmap



**Best practice: assign owners before opening the portal submission.**

# How MCA can help?

***MCA Team has been actively advising MNE Groups on Pillar Two readiness since the enactment of the Pillar 2 framework.***

***We can assist with:***

- ✓ Scoping and applicability assessments
- ✓ Identifying the appropriate registration route
- ✓ Preparing and reviewing the required documentation
- ✓ Co-ordinating the EmaraTax registration process on your behalf
- ✓ Advising on broader Pillar Two compliance obligations, including GloBE information return filing and safe harbour elections



# MOVE FROM ASSESSMENT TO ACTION

For in-scope MNE Groups with UAE operations, the immediate priorities are clear: identify the registration route, prepare documents, coordinate UAE entities and build broader Pillar Two readiness.



FOR A WORKING SESSION  
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