



1. Introduction The impact of Corporate Tax on Free Zone Persons is significant and is dealt with specifically by Cabinet Decision No. 55 of 2023 and Ministerial Decision No. 139 of 2023 which is discussed hereunder along with the ensuing complexities and ambiguities. Until the introduction of Corporate Tax Law ('CTL') in UAE, free zone entities were exempted from any type of taxes on their income. With introduction of the CTL, tax implications at the free zone are substantially different as the conventional understanding, that if Free Zone Person is engaged in authorised activity/ies, then generally their income will not be subjected to tax on income, is no more subsisting 2. With regards to the UAE Corporate Tax applicability, a Free Zone Person (FZP) can be categorized into two types: