Certification Guidelines for Tax Accounting Software Providers

September 2017

Contents

1. Information for Accounting Software Vendors

The FTA acknowledges the salience of the role of software vendors in assisting Taxable Persons to comply with their tax requirements.

The FTA has published a separate guide of recommended set of principles and technical requirements. This guide also includes specific details of key data elements required to file tax returns and to generate an FTA Audit File (FAF). A FAF is a standard electronic file that the FTA may request from a Taxable Person for the purpose of an audit.

The FTA will regularly publish a Tax Accounting Software Register (TASR) which will list the various tax accounting software providers that have provided a written declaration to the FTA that their software complies with the principles and technical requirements of the FTA stipulated in the guide.

The TASR will list the following:

- software vendor name
- name of tax accounting software
- version number of tax accounting software
- date of listing
- validity of listing

Interested software vendors who are compliant with the FTA's guide are welcome to submit an application to the FTA to list their tax accounting software in the TASR.

The purpose of this document is to inform the software vendors about the process of FTA certification and the documents required from them to be listed on the TASR.

2. Getting Listed on the Register – For New Vendors

FTA requests the prospective vendor to submit their responses to the vendor screening criteria provided in Appendix 1, self-review checklist provided in Appendix 2, found in this document, together with the relevant documents (in both hardcopy and softcopy) to the following addresses:

- Email ID: info_tas@tax.gov.ae
- Mailing Address:

  Federal Tax Authority

  3rd Floor, Ministry of Finance Building,

  Bur Dubai, Dubai

Approved software vendors will be listed from January 1st to the end of December of the same year, for example, from January 1st, 2018 to December 31st, 2018.

FTA publishes an updated TASR every quarter (January, April, July, and October).

All applicants must submit the self-assessment on the vendor screening criteria stipulated in Appendix 1, self-review checklist as per Appendix 2 and all relevant documents as per the below mentioned windows for their application submissions.

Listing Cycle	Application Submission Window
January – March	Before 15th November (previous year)
April – June	Before 15th February
July – September	Before 15th May
October – December	Before 15th August

The typical timeframe to process every application for registration is 25 working days.

Following is the FTA Service Level Agreement (SLA) for the application review process:

- Within 2 working days of submission of application for registration, the FTA will send an email to the software vendor to confirm receipt of the application and that it is pending review.

- Any request for further information will be sought via email on or before 10 working days after the submission of application.

- If the software vendor fulfils the request for further information by 15 working days after submission of application, the FTA will process the application in time for the listing cycle.

- The FTA will send an email to the software vendor to provide an updated of the status of the application for registration, i.e., approved or rejected on or before 25 working days after submission of the application.

3. Renewal of Accounting Software Listing on the Register – For Existing Vendors

The software vendor is required to renew their listing or whenever there is a version upgrade of the software during the period in which it is already listed.

3.1. Annual Renewal of Listing for Existing Vendors

To renew listing, the software vendor must ensure that the tax accounting software remains compliant with the FTA guide on requirements for tax accounting software.

Software vendors must submit the Annual Renewal Form (Appendix 4) 45 calendar days prior to expiry of the current registration.

The typical timeframe to process every application for renewal of registration is 25 working days.

Following is the Service Level Agreement (SLA):

- Within 2 working days of submission of application for renewal, the FTA will send an email to the software vendor to confirm receipt of the application and that it is pending review.

- Any request for further information will be sought via email on or before 10 working days after the submission of the application.

- If the software vendor fulfills the request for further information by 15 working days after submission of application, the FTA will process the application in time for the renewal cycle.

- The FTA will send an email to the software vendor to the status of the application for renewal, i.e., approved or rejected on or before 25 working days after submission of the application.

3.2. Renewal of Listing for Version Upgrade of Accounting Software During Listing Period

If there are any version upgrades of the tax accounting software during the period of listing, the vendor must submit the following to info_tas@tax.gov.ae for renewal:

- copy of the latest version of accounting software on a CD/DVD along with user manual

- tax accounting software name

- last TASR-listed accounting software version number

- version number of upgraded accounting software

- key changes to accounting software

- confirmation that upgraded software is or changes to software are compliant with all principles outlined in the FTA guide on requirements.

The period of listing on the TASR after renewal remains the same, i.e., January 1st to the end of December of the same year, for example, from January 1st, 2018 to December 31st, 2018.

4.Contact Information

For clarifications or assistance with the TASR, please email the FTA at
info_tas@tax.gov.ae

5. Appendix 1 – Vendor Screening Criteria

The FTA looks for at least the following when certifying tax accounting software vendors:

- a global presence and international experience.

- experience in providing tax accounting software (VAT).

- track record and reference in providing tax accounting software in at least 2 countries.

- a significant presence in the UAE or have the intent and capability to setup significant presence in the UAE in a short time.

The FTA has prepared criteria to cover the broad areas of vendor's company profile, financial stability, product details, organisation strength and team, and product reference sites. The product which will be assessed using the criteria is the Tax Accounting Software only.

Tax Accounting Software vendors are requested to respond to each of the questions and provide the required supporting documentation (where applicable). Failure to provide any supporting evidence and / or providing inaccurate information will automatically disqualify the Tax Accounting Software vendors from this exercise. Such vendors will also be blacklisted from applying for a certification from the FTA in the future.

A. Company Profile Criteria

S. No.	Criteria	Benchmarks	Vendor Comments
1	For how long has the company been in existence?	<5 years	
		5-10 years	
		>10 years	
2	What is the company ownership type?	Privately held with majority stakeholders being PE firms or Venture Capital	
		Privately held with majority stakeholders being company employees (e.g., CXOs)	
		Public listed	
3	Does the company have presence in the region?	Outside GCC	
		Present in GCC but not in the UAE	
		Present in the UAE	
4	Does the company have any Industry Certifications? (ISO, CMMI, SEI, etc.)	No	
		Yes	
5	Does the company have Support Centre(s)?	No Support Centre(s)	
		Present globally but not in the GCC	
		Present in the GCC but not in the UAE	
		Present in the UAE	
6	What is the availability of the Support Centre(s)?	Not applicable because no Support Centre(s)	
		Present but not 24*7 hours	
		24*7 hours	
7	How many Arabic Speakers are in the Support Centre(s)?	<5%	
		5-30%	

Tax Accounting Software

S. No.	Criteria	Benchmarks	Vendor Comments
		>30%	

B. Financial Stability

S. No.	Criteria	Benchmarks	Vendor Comments
1	What is the company's average revenue over the last 3 years?	<10mn AED	
		10-25mn AED	
		>25mn AED	
2	What is the company's average profit over the last 3 years?	<4mn AED	
		4-15mn AED	
		15mn AED	
3	In the last 3 years, for how many years was the company was in profit?	< 2	
		2	
		3	

Tax Accounting Software

C. Product Details

S. No.	Criteria	Benchmarks	Vendor Comments
1	Product Stability: For how long have you been providing Tax Accounting Software?	<1 year	
		1-5 years	
		>5 years	
2	Does the company have a clearly defined Product & Innovation Roadmap (for Tax Accounting Software) for next 2 years?	No	
		Yes	
3	Does the Tax Accounting Software have any Industry certifications (ISO, CMMI, SEI, etc.)?	No	
		Yes	
4	Has the company won any awards for its Tax Accounting Software? If yes, please specify	No	
		Yes	
5	What is the average percentage of revenue generated by the company by providing Tax Accounting Software in the last 3 years?	<25%	
		25-75%	
		> 75%	
6	What is the company's commitment to Tax Accounting Software product? Please specify percentage of total revenue invested in Research & Development of the product.	<2%	
		2-10%	
		>10%	

D. Organisation Strength & Team

S. No.	Criteria	Benchmarks	Vendor Comments
1	What is the total number of employees in the company?	<50	
		50 – 500	
		> 500	
2	What is the number of team members dedicated to Tax Accounting Software?	<10	
		10 – 100	
		>100	
3	What is the team's average experience of Tax Accounting Software?	<3 years	
		3-6 years	
		>6 years	

E. Customer Reference Sites

S. No.	Criteria	Benchmarks	Vendor Comments
1	In how many countries has the Tax Accounting Software been provided?	0	
		1-2	
		>2	
2	How many corporate customers are currently using the Tax Accounting Software globally?	<100	
		100-250	
		>250	
3	How many corporate customers are currently using the Tax Accounting Software in the UAE?	<50	
		50-200	
		<200	

6. Appendix 2 – Self-Review Checklist

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<u>Important Notes:</u>

(1) This checklist serves as a guide for you to assess whether your tax accounting software satisfies the principles in FTA's guide on requirements titled *Requirements Document for Tax Accounting Software*.

(2) Please ensure that you complete <u>all</u> the relevant sections below – any incomplete application will be disqualified.

(3) This document should be endorsed by the tax accounting software vendor's Managing Director or Chief Executive Officer (or equivalent), or any duly authorised officer [as notified by way of a letter signed by the Managing Director or Chief Executive Officer (or equivalent)]. All attached documents should be initialled on every page by the Managing Director or Chief Executive Officer (or equivalent), or any duly authorised officer.

(4) Please submit this completed checklist and required attachments to info_tas@tax.gove.ae as well as to the mailing address mentioned in the document

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Section 1: Applicant Details

Name(s) of tax accounting software	
Version number(s) of tax accounting software	
Location of data centre(s)	

Section 2: Compliance with Principles in e-Tax Guide

Requirement	Yes / No / Not Applicable	Remarks *(If no, please describe the area(s) of non-compliance and state the reason(s) for non-compliance.)*
General		
Does your tax accounting software comply with all the principles listed in the FTA guide on requirements titled *Requirements Document for Tax Accounting Software*?		
Principles – **Provides a reporting facility for the generation of information necessary to prepare VAT returns** – **Captures key data elements necessary for the generation of an FTA Audit File ("FAF")** – **Allows automatic production of an FAF by a user with no assistance required from the software vendor or other IT specialist**		
Test Data		
Did you use the test data provided by FTA when testing your software?		
FAF – Supply / Purchase / General Ledger listing		
Is the software able to generate a FAF that has the same format as the FAF in Appendix 5 for VAT and/or Appendix 6 for Excise Tax in the guide on requirements titled *Requirements Document for Tax Accounting Software*?		
Is the content of the generated FAF identical to the desired FAF output provided by FTA in Appendix 6 in this document>?		
Tax Codes		
Did you adopt the tax codes listed in Appendix 1 and/or Appendix 2 of the guide on requirements titled *Requirements Document for Tax Accounting Software*?		
If no, have you attached a full list of all the tax codes used, including a description of each tax code?		
Foreign Currency Transactions		
Is the software able to capture foreign currency transactions?		
If yes, please confirm that for each transaction, the equivalent Dirham amount		

for the transaction value and the Tax amount are captured in the FAF.		

Principle
- **Is accompanied by comprehensive documentation to assist auditors and users to understand how the software operates**

Do you provide with your software a user manual to assist auditors and users to understand how the software operates?		
If yes, please provide a copy of the user manual.		

Principles
- **Incorporates adequate internal controls to ensure reliability of the data being processed**
- **Creates adequate audit trails to assist auditors in the understanding of the flow of events and reconstructing of the events, if necessary**
- **Has in place archival and restoration of archived data mechanisms that ensure the integrity and readability of electronic records after an extended period**

System Access		
Does the software have the capability to create multiple user accounts? Please respond "Not Applicable" if the software is a single user application.		
If yes, does the software have the capability to assign each user account access to different functions and modules?		
Is it mandatory for users to access their user accounts by using a password?		
If yes, does the software have the following password control features: - Password change upon initial logon; - Minimum password length; - Password complexity (e.g. alphanumeric); - Password history; and - Any other features (please specify)?		

Data Capture		
Does your software have the capability to detect and prevent invalid data from being input into the system (e.g. input of a non-numeric value in a numeric field)?		
Does your software have the capability to detect and prevent incomplete data from being input into the system (e.g. submission of a transaction without filling in all the mandatory fields)?		

Does your software have the capability to detect and prevent duplicate data from being input into the system (e.g. submission of a transaction with the same invoice number as an earlier transaction which was processed)?		
Data Processing		
Does the software process transactions in real-time (as opposed to collating and processing the transactions by batches)?		
If no, does the software have the capability to ensure the integrity of the batched transactions and files (e.g. software has a checksum function)?		
Is there any data concurrency control feature in the software (e.g. data locks to prevent simultaneous data editing)?		
Output Controls		
Does the software have the capability to notify users when the FAF is not generated correctly?		
Data Security Controls		
Is transactional data protected from amendments once the accounting period is closed (e.g. change of amount, deletion of an entry)?		
Does the software have the capability to ensure that amendments to recorded entries can only be made through adjusting the journal entries?		
Can the software capture the following details for amendments to recorded entries made through adjusting the journal entries: - Person making modification - Date of modification - Details of previous entry - Details of current entry - Any other details (please specify)?		
Backup Controls		
Does the software have the capability to backup and restore electronic records?		
Does the software have the mechanisms for archival and restoration of archived data, which ensure the integrity and readability of electronic records after an extended period (e.g. able to detect corrupted backup files)?		

Processing Logic		
Are changes to the processing logic of the software restricted to the tax accounting software vendor (e.g., source codes are not provided to users)?		

Section 3: Required Items

Required Items	Please tick if you have attached the required items	If you are unable to submit any item listed in this table, please provide your reason(s)
Business profile		
A copy of the FAF generated using the test data in Appendix 6		
Appointment of local agent letter (only to be attached if software vendor is an overseas entity)		
A virus-free CD or DVD containing a copy of the software or a password if the software is a Software-as-a-Service ("SaaS")		
At least 5 reference letters from non-related resellers / consumers (Reference letters should be from local companies and at most dated one year from application date)		
Audited financial statements for last 3 financial years (if audited financial statements are not available, please submit certified true management accounts for last 3 financial years)		
Documentation of communications plan for resellers / consumers (Please provide information on how resellers / consumers are updated of changes e.g. version upgrades)		
Copy of key software development personnel's resumes		
Training programme for resellers / consumers (Please provide a short write-up of the training contents)		

Copy of trainer's / trainers' resume(s)		
Does your firm have access to accounting / tax expertise?		
If **YES** – please provide details in the adjacent box (e.g. employed in-house accounting / tax staff or engaged external accountant / tax agent) and supporting documentation (e.g. copy of in-house accounting / tax staff's resumes, contract with external accountant / tax agent). If you are unable to provide supporting documentation, please explain why in the adjacent box.		
If **NO** – please fill in the adjacent box your reason(s) for not having access to accounting / tax expertise.		
Is your technical support team in-house or out-sourced?		
If **IN-HOUSE** – please provide details in adjacent box and supporting documentation of technical support process (e.g. standard operating procedures, copy of in-house technical support team's resumes). If you are unable to provide supporting documentation, please explain why in the adjacent box.		
If **OUTSOURCED** – please provide details in adjacent box (e.g. name of external firm technical support is outsourced to, arrangement with external firm), reason(s) for outsourcing to this particular external firm, and supporting documentation (e.g. contract with external firm). If you are unable to provide supporting documentation, please explain why in the adjacent box.		

I confirm that:
a) I am eligible to provide the above information and attachments on my firm's behalf as I am the Managing Director or Chief Executive Officer (or equivalent), or any duly authorised officer;
b) My firm developed the tax accounting software mentioned in Section 1 above and has legal ownership of the software;

(OR)
I am a legally authorized reseller of the tax accounting software mentioned in Section 1 above in the UAE;

c) The date below indicates the date of completion of this self-review checklist;

d) I give my consent to FTA to use all information and documents submitted in relation to this application (where required);

e) To the best of my knowledge, the above information and attachments are true, complete and accurate, and no material information has been withheld or distorted;

f) I have read the Conditions stipulated in **Appendix 3**, accept these Conditions and agree to be bound by them; and

g) I understand that (i) if I withhold or distort any material information; or (ii) if I submit untrue, incomplete or inaccurate information or attachments; or (iii) if I am non-compliant with the Conditions stipulated in the **Appendix 3**, my firm's tax accounting software will be disqualified by the FTA and blacklisted from being listed in the FTA's TASR in the future.

Firm's Name, Commercial/ Professional License Number, Address & Stamp	Name, Contact Number and Email Address
_____	_____
Designation	Signature & Date
_____	
	_____
	_

7. Appendix 3 – Conditions for Listing in FTA's Tax Accounting Software Register (TASR) for New Vendors

1. *Introduction*

    1.1. The Entity has indicated that it wishes to list its tax accounting software on FTA's Tax Accounting Software Register ("TASR").

    1.2. FTA will consider the listing of the Entity's tax accounting software in the TASR, provided that:

    a) The Entity accepts and agrees to be bound by the Conditions stipulated in Paras 1 to 7; and

    b) The Entity confirms that the tax accounting software is compliant with the FTA guide on requirements titled *Requirements Document for Tax Accounting Software*.

    1.3. The submission of the self-review checklist for tax accounting software vendors and all the required attachments does not give the Entity an entitlement to be listed in the TASR.

    1.4. FTA reserves the right to take additional factors (e.g. financial standing, track record, compliance with UAE tax laws and customer feedback) into consideration during the application, renewal or de-listing process.

    1.5. The acceptance by FTA of the self-review checklist for tax accounting software vendors and all the required attachments does not constitute a service.

    1.6. FTA retains ownership of the TASR at all times, and may make changes to the TASR at any time, including the removal of any listed tax accounting software from the TASR.

    1.7. While FTA will make all reasonable attempts to notify the Entity prior to the removal of the Entity's tax accounting software from the TASR, FTA nonetheless reserves the right to remove any software from the TASR at any time, for any reason, and without notice.

2. *Who these Conditions Apply to*

    2.1. These Conditions apply to the Entity and FTA.

3. *Changes to Conditions*

    3.1. FTA may change the Conditions at any time.

    3.2. FTA will make all reasonable attempts to bring any impending changes to the attention of the Entity, prior to the changes taking effect.

    3.3. If the Entity does not accept the changes to the Conditions, it shall notify FTA immediately, and FTA will remove the Entity's tax accounting software from the TASR.

4. *Information and Attachments Provided*

    4.1. All information and attachments provided to FTA by the Entity for the purpose of listing its tax accounting software in the TASR must be true, complete and accurate.

         Tax Accounting Software

5. *Compliance with FTA's guide on requirements titled Requirements Document for Tax Accounting Software and UAE Tax Laws*

   5.1. FTA may make changes to the guide titled *Requirements Document for Tax Accounting Software* at any time. It is the responsibility of the Entity to ensure that its TASR-listed tax accounting software is compliant with the guide at all times.

   5.2. The Entity is responsible for keeping abreast of developments in UAE tax laws. Any changes to the UAE tax laws should be accurately reflected in the TASR-listed tax accounting software.

   5.3. The Entity is responsible for ensuring its compliance with UAE tax laws. Its practices **shall be aligned with FTA's objective to promote tax compliance (e.g., make accurate representations of tax schemes, encourage its resellers/ consumers to comply with UAE tax laws) at all times**. The entity will rectify any non-compliant and undesired behaviour within **14 calendar days** upon notification by FTA.

   5.4. If the tax accounting software is no longer compliant with the FTA's guide titled *Requirements Document for Tax Accounting Software*, the Entity is responsible for informing FTA within **7 calendar days** from the date of discovering the non-compliance. The Entity is also responsible for fixing the tax accounting software and providing a status update to FTA within **14 calendar days** from the date of informing FTA.

   5.5. If FTA finds that the TASR-listed tax accounting software is non-compliant with the guide titled *Requirements Document for Tax Accounting Software*, and the Entity had failed to inform FTA and fix its tax accounting software (as mentioned in Para 5.4), FTA will remove the Entity's tax accounting software from the TASR immediately and the Entity shall provide all affected resellers / consumers with a free software upgrade to the compliant version within **14 calendar days** of the date FTA informs the Entity that its tax accounting software is non-compliant. Should the Entity be unable to provide such an upgrade, the Entity shall compensate its affected resellers / consumers (e.g. reimburse the cost of replacing the non-compliant software) within **14 calendar days** of the date FTA informs the Entity that its tax accounting software is non-compliant.

   5.6. The listing of the tax accounting software in the TASR does not constitute any endorsement or sponsorship of the software by FTA. The Entity will not in any way represent that its tax accounting software has any such endorsement or sponsorship.

6. *Dispute Resolution*

   6.1. The Entity must investigate any complaint made to it in relation to the tax accounting software listed in the TASR and notify FTA about the complaint within **7 calendar days** from the date of receipt of the complaint. The Entity will rectify the complaint and provide a status update to FTA within **14 calendar days** from the date of notifying FTA.

   6.2. Where FTA receives notice of a complaint made in relation to the tax accounting software listed in the TASR, the Entity, or the completeness or accuracy of the information or attachments provided by the Entity, FTA:
      a) will refer the complainant to the Entity for resolution of the complaint. The Entity will rectify the complaint and provide a status update to FTA

within **14 calendar days** from the date of referral of the complainant to the Entity;

b)   may independently investigate the complaint.

6.3. Where FTA investigates a complaint under Para 6.2(b), it will notify the Entity about the outcome of the investigation within **30 calendar days** from the date the FTA receives notice of the complaint. If arising from the investigation, FTA believes the complaint to be of substance, the Entity must rectify the complaint immediately to the satisfaction of FTA.

7. *Liability and Failure to Meet Conditions*

7.1. FTA will not be liable for any losses or damages, loss of income, profit or savings, or indirect, incidental, special, consequential or punitive damages arising from or in connection with the use of any tax accounting software listed in the TASR.

7.2. If the Entity breaches any of these Conditions stipulated from Paras 1 to 7, FTA may commence legal proceedings to protect its interests, remove the Entity's tax accounting software from the TASR, and / or publicise the Entity's breach of Conditions via the FTA TASR webpage.

8. *Glossary*

"Entity" means the firm which developed and is the legal owner of the tax accounting software that the firm intends to list in FTA's TASR.

"FTA" means the Federal Tax Authority.

"**Conditions**" means the conditions stipulated in Paras 1 to 7.

"**UAE tax laws**" means VAT and Excise Regulations.

8. Appendix 4 - Annual Renewal Form for Listing in Tax FTA's Tax Accounting Software Register (TASR)

Important Notes:

1) This form must be completed by an accounting software vendor that is currently listed on FTA's Tax Accounting Software Register <u>and</u> wishes to renew its listing for the period from _____ to_____.

2) Please ensure that you complete all the relevant sections below – any incomplete application will be disqualified.

3) Please ensure that your tax accounting software satisfies the principles in FTA's guide on requirements titled *Requirements Document for Tax Accounting Software*.

4) This document should be endorsed by the tax accounting software vendor's Managing Director, Chief Executive Officer (or equivalent) or any duly authorised officer [as notified by way of a letter signed by the Managing Director or Chief Executive Officer (or equivalent)].

5) Please submit the completed and signed form (in PDF format) to info_tas@tax.gov.ae Please title heading of email as "ASR Renewal for (company's name)".

6) Also, please send the hardcopy form to the mailing address provided above

Section 1: Details of Tax Accounting Software

Name(s) of tax accounting software **Version number(s) of tax accounting software** **Number of units sold from dd/mm/yy to dd/mm/yy** _____ (include units from the previous version if there is a version upgrade)	

Section 2: Particulars of Applicant

(a) Particulars of Firm

Name	
Professional / Commercial License Number	
Address	
Firm's Stamp	

(b) Particulars of Firm's Managing Director, Chief Executive Officer (or equivalent) or any duly authorised officer*

Name	
Designation	
Contact number	
Email address	

(c) Alternative Contact Information [Please provide the details of the alternative contact person(s), if available]*

Contact Person 1 **Name** **Designation** **Contact number** **Email address**	
Contact Person 2 **Name** **Designation** **Contact number** **Email address**	

*Please ensure that at least one of the contact numbers stated in Section 2(b) and 2(c) is local

Section 3: Declaration (to be completed by the tax accounting software vendor's Managing Director, Chief Executive Officer (or equivalent) or any duly authorised officer)

Please check the boxes to indicate that you have read and confirm the following conditions:

☐ I am authorised to provide the above information and to complete this declaration on my firm's behalf;

☐ The tax accounting software mentioned in Section 1 above is compliant with the principles and requirements in FTA's guide titled *Requirements Document for Tax Accounting Software* and my firm will update FTA of any future changes to the software;

☐ My firm has sufficient working capital to continue its operations for the next 12 months and funds to satisfy maturing short-term debt; and

☐ I have read the Conditions stipulated in **Appendices 3 and 5**, accept these Conditions and agree to be bound by them.

Name and signature of Managing Director,	Date

Chief Executive Officer (or equivalent) or

any duly authorised officer

9. Appendix 5 - Conditions for Renewal of Listing in FTA's Tax Accounting Software Register (TASR)

1. *Introduction*

    1.1. The Entity has indicated that it wishes to list its tax accounting software on FTA's Tax Accounting Software Register ("TASR").

    1.2. FTA will consider the listing of the Entity's tax accounting software in the TASR, provided that:

        a) The Entity accepts and agrees to be bound by the Conditions stipulated in <u>Paras 1 to 7</u>; and

        b) The Entity confirms that the tax accounting software is compliant with the FTA guide titled *Requirements Document for Tax Accounting Software*.

    1.3. The submission of the Annual Renewal Form for tax accounting software vendors does not give the Entity an entitlement to continue to be listed in the TASR.

    1.4. FTA reserves the right to take additional factors (e.g. financial standing, track record) into consideration during the application process.

    1.5. The acceptance by FTA of the Annual Renewal Form for tax accounting software vendors does not constitute a service.

2. *Who these Conditions apply to*

    2.1. These Conditions apply to the Entity and FTA.

3. *Changes to Conditions*

    3.1. FTA may change the Conditions at any time.

    3.2. FTA will make all reasonable attempts to bring any impending changes to the attention of the Entity, prior to the changes taking effect.

    3.3. If the Entity does not accept the changes to the Conditions, it shall notify FTA immediately, and FTA will remove the Entity's tax accounting software from the TASR.

4. *Information provided*

    4.1. All information provided to FTA by the Entity for the purpose of listing its tax accounting software in the TASR must be true, complete and accurate.

5. *Compliance with FTA's guide titled Requirements Document for Tax Accounting Software and UAE tax laws*

    5.1. FTA may make changes to the FTA's guide titled *Requirements Document for Tax Accounting Software* at any time. It is the responsibility of the Entity to ensure that its TASR-listed tax accounting software is compliant with the guide at all times.

    5.2. The Entity is responsible for keeping abreast of developments in UAE tax laws. Any changes to the UAE tax laws should be accurately reflected in the TASR-listed tax accounting software.

Tax Accounting Software

5.3. If the tax accounting software is no longer compliant with the FTA guide titled *Requirements Document for Tax Accounting Software*, the Entity is responsible for informing FTA within **7 calendar days** from the date of discovering the non-compliance. The Entity is also responsible for fixing the tax accounting software and providing a status update to FTA within **14 calendar days** from the date of informing FTA.

5.4. If FTA finds that the TASR-listed tax accounting software is non-compliant with the FTA guide titled *Requirements Document for Tax Accounting Software*, and the Entity had failed to inform FTA and fix its tax accounting software (as mentioned in Para 5.3), FTA will remove the Entity's tax accounting software from the TASR immediately and the Entity shall provide all affected resellers / consumers with a free software upgrade to the compliant version within **14 calendar days** of the date FTA informs the Entity that its tax accounting software is non-compliant. Should the Entity be unable to provide such an upgrade, the Entity shall compensate its affected resellers / consumers (e.g. reimburse the cost of replacing the non-compliant software) within **14 calendar days** of the date FTA informs the Entity that its tax accounting software is non-compliant.

5.5. While FTA will make all reasonable attempts to notify the Entity prior to the removal of the Entity's tax accounting software from the TASR, FTA nonetheless reserves the right to remove any software from the TASR at any time, for any reason, and without notice.

5.6. The listing of the tax accounting software in the TASR does not constitute any endorsement or sponsorship of the software by FTA. The Entity will not in any way represent that its tax accounting software has any such endorsement or sponsorship.

5.7. FTA retains ownership of the TASR at all times, and may make changes to the TASR at any time, including the removal of any listed tax accounting software from the TASR.

6. *Dispute resolution*

6.1. The Entity must investigate any complaint made to it in relation to the tax accounting software listed in the TASR and notify FTA about the complaint within **7 calendar days** from the date of receipt of the complaint. The Entity will rectify the complaint and provide a status update to FTA within **14 calendar days** from the date of notifying FTA.

6.2. Where FTA receives notice of a complaint made in relation to the tax accounting software listed in the TASR, the Entity, or the completeness or accuracy of the information or attachments provided by the Entity, FTA:

a) will refer the complainant to the Entity for resolution of the complaint. The Entity will rectify the complaint and provide a status update to FTA within **14 calendar days** from the date of referral of the complainant to the Entity;

b) may independently investigate the complaint.

6.3. Where FTA investigates a complaint under Para 6.2(b), it will notify the Entity about the outcome of the investigation within **30 calendar days** from the date FTA receives notice of the complaint. If arising from the investigation, FTA believes the complaint to be of substance, the Entity must rectify the complaint immediately to the satisfaction of FTA.

7. *Liability*

    7.1. FTA will not be liable for any losses or damages, loss of income, profit or savings, or indirect, incidental, special, consequential or punitive damages arising from or in connection with the use of any tax accounting software listed in the TASR.

    7.2. If the Entity breaches any of these Conditions stipulated from Paras 1 to 7, FTA may commence legal proceedings to protect its interests, remove the Entity's tax accounting software from the TASR, and / or publicise the Entity's breach of Conditions via the FTA TASR webpage.

8. *Glossary*

"Entity" means the firm which developed and is the legal owner of the tax accounting software that the firm intends to list in FTA' TASR.

"FTA" means the Federal Tax Authority.

"**Conditions**" means the conditions stipulated in Paras 1 to 7.

"**UAE tax laws**" means all relevant VAT and Excise Regulations.

10. Appendix 6 – Test Cases

S. No.	Requirement
1	System should capture at least the following key data elements necessary for the generation of a VAT return file: 1. Domestic sales (standard-rated supplies) 2. Intra-FCC transfer of imported goods (standard-rated supplies) 3. Import from outside of GCC subject to reverse charge (standard-rated supplies) 4. Intra-GCC purchase (standard-rated supplies) 5. Exports (zero-rated supplies) 6. Intra-GCC supplies (outside the scope of VAT supplies) 7. Exempt supplies (exempt supplies) 8. Out of scope supplies (outside the scope of VAT supplies) 9. Deemed supplies (deemed supplies) 10. Domestic purchase (standard-rated purchases) 11. Import from outside of GCC (imports including imports under suspension, imports under normal VAT deferment scheme) 12. Intra-GCC purchases (imports including imports under suspension, imports under normal VAT deferment scheme) 13. Other purchases (zero-rated, disallowed expenses, purchases from non-VAT registered suppliers, exempt outside the scope of VAT) 14. Total recoverable input tax under partial exemption method (standard-rated purchases)
2	System should automatically generate an encrypted VAT return file with no assistance required from the software vendor or any other IT specialist.
3	System should generate the VAT return file in the format mandated by the FTA.
4	System should encrypt the VAT return file to contain the following details which will serve the purpose of credentials to authenticate upload onto Integrated Tax Administration System (ITAS): 1. Registration Number - a unique number which will be assigned to the vendor by the FTA at the time of certification and registration 2. Company Name - tax accounting software vendor name 3. Tax Accounting Software (TAS) name 4. Tax Accounting Software (TAS) version number 5. Tax Registration Number (TRN) for which the VAT return is generated
5	System should automatically file VAT returns on the FTA's e-Tax portal (ITAS).
6	System should capture at least the following key data elements necessary for the generation of a VAT FTA Audit File (FAF): 1. Company name 2. User ID 3. TRN

		4. FAF version indicator 5. GL/ID 6. Locations of suppliers 7. Reverse charges 8. Locations of customers 9. Tax codes 10. Invoice numbers 11. Invoice dates 12. Permit numbers 13. Transaction IDs 14. Debit amounts 15. Credit amounts 16. VAT amounts in actual currency 17. VAT amounts in AED 18. Accounts receivable 19. Accounts payable 20. Product/service references 21. Description of goods/services
	7	System should capture at least the following key data elements necessary for the generation of an Excise Tax FTA Audit File (FAF): 1. Company name 2. User ID 3. TRN 4. FAF version number 5. GL/ID 6. Locations of suppliers 7. Reverse charges 8. Locations of customers 9. Tax codes 10. Invoice numbers 11. Invoice dates 12. Permit numbers 13. Transaction IDs 14. Debit amounts 15. Credit amounts 16. Excise Tax amounts in actual currency 17. Excise Tax amounts in AED 18. Accounts receivable 19. Accounts payable 20. Product/service references 21. Description of goods/services 22. Designated zone (warehouse) identifiers 23. Open stock balances when Excise Tax law was implemented 24. Product codes 25. Excise rate applied per product file 26. Transaction types 27. Details of movement 28. Transaction dates 29. Tax payment dates

	30. Duty status of stock 31. Stock adjustments – write offs, losses, etc. 32. Physical location of goods
8	System should allow automatic production of a VAT FAF by a user with no assistance required from the software vendor or any other IT specialist.
9	The VAT FAF should be as per the data types specified by the FTA provided in the *Requirements Document for Tax Accounting Software.*
10	System should allow automatic production of an Excise Tax FAF by a user with no assistance required from the software vendor or any other IT specialist.
11	The Excise Tax FAF should be as per the data types specified by the FTA provided in the *Requirements Document for Tax Accounting Software.*
12	System should produce tax invoices
13	System should produce credit/debit notes

Glossary

1. Taxable Person - any Person who is registered or obligated to register for Tax purposes under the UAE Tax Law.
2. Person: a natural or legal person, public or private, or any form of partnership.
3. Version upgrade – the act of replacing your product with a newer, and often more superior, version or similar product.

Tax Accounting Software