الـهـيـئـة الاتـحـاديـة لـلـضـرائـب
FEDERAL TAX AUTHORITY

United Arab Emirates

BASIC TAX INFORMATION
Artists and Social Media Influencers

Tax Treatment of Supplies:

VAT is due at 5% on taxable supplies provided by artists. Likewise, services provided by social media influencers ("SMIs") are generally subject to VAT, including but not limited to:

- Online promotional activities carried out on behalf of other businesses for a consideration (such as promoting a product in a blog or video, or promoting a business in a post on social media).
- Any physical appearance or activities related to marketing and advertising.
- Granting access to the network of SMIs.
- Any other services provided for a fee.

If an artist or social media influencer incurs any costs to make a supply and subsequently recovers the cost from its client, such reimbursement falls within the scope of VAT in the UAE.

Registration for VAT:

UAE-based Artists and SMIs who make taxable supplies (which include zero-rated supplies) in the UAE are required to register for VAT provided the value of their taxable supplies and imports in the last 12 months exceeded, or is expected to exceed in the next 30 days, the mandatory registration threshold of AED 375,000.

Artists and SMIs may also voluntarily register for VAT if the value of their taxable supplies and imports or taxable expenses incurred in the last 12 months exceeded, or is anticipated to exceed in the next 30 days, the voluntary registration threshold of AED 187,500.

- **For the purposes of calculating the threshold, the Artists and SMIs should take into consideration all the taxable supplies that they make, even if such supplies do not fall within the scope of their core artistic or influencer activity.**

Recovery:

Artists and SMIs who provide taxable supplies are eligible for input tax recovery in full, except for blocked items such as:

- Some entertainment services.
- Vehicles purchased, rented or leased that are available for personal use.