

CABINET DECISION NO. 1 OF 2026

Exemption for Sports-Related Entities



 **Issue Date**
12 Jan 2026

 **Effective From**
01 June 2023

 **Applicable To**
Sports-Related Entities

Cabinet Decision No. 1 of 2026 introduces a specific exemption framework for sports-related entities under paragraph (i) of Clause 1 of Article 4 of Federal Decree-Law No. 47 of 2022

Entities Covered



01

International Sports Entities

International/regional governing bodies (federations, associations, committees) promoting/administering sports & recognized by the Ministry of Sports, IOC, IPC, Olympic Council of Asia, or similar authority.



02

Sports Entities

Entities wholly owned & controlled by an International Sports Entity, established to promote, administer, or develop sports and registered with the Ministry of Sports or the Competent Authority.



03

Ancillary Entities

Entities wholly owned & controlled by an International Sports Entity, set up solely to perform administrative or operational activities supporting the International Sports Entity or its Sports Entities.

CONDITIONS FOR EXEMPTION



No Business Activity

Except activities directly linked to principal/sole objectives



Income Used Exclusively

Only for furthering its principal/sole objectives or related necessary expenditure



No Personal Benefit

No income/assets payable to shareholders, members, trustees, or founders



Eligible Recipients Only

Funds/assets only for QPBE, Govt Entity, ISE, Sports Entities, or Ancillary Entities



Ministerial Conditions

Any other conditions prescribed by a decision issued by the Minister



Compliance & Monitoring

- ✓ Maintain documentation to demonstrate eligibility
- ✓ Provide information upon request to tax authorities
- ✓ Failure to meet conditions = **Loss of exemption from the start of the relevant Tax Period**



Key Takeaways

- ✓ Promotes & strengthens the sports ecosystem
- ✓ Clear framework for international & local entities
- ✓ Strict non-commercial & purpose-driven use
- ✓ Aligns with UAE's vision for sports development