

# VAT Refund Scheme for Official Participants in Expo 2020

With Expo commencing in October 2021, the Federal Tax Authority (**FTA**) has recently emphasized that the official participants are eligible for VAT refund on their expenses, without the need to use such expenses for making taxable supplies, if the following conditions are met:

- VAT incurred on purchases that are directly attributable to the construction, assembling, decoration and dismantling of the pavilions in the exhibition.
- VAT incurred on goods and services acquired or imported for exhibition purposes, provided that the value of each good or service for which the Office of the Official Participant makes a claim is not less than AED 200.

To provide a cost benefit advantage to the participants and to make purchases VAT-free, the FTA had introduced a Special Refund Scheme in 2020 to reimburse VAT paid on goods and services connected with Expo. The relevant guide stipulated that the participants who are VAT registered in the UAE may claim VAT refunds through e-services portal and un-registered participants can submit the VAT refund application to the Expo Bureau which will request VAT refund from the FTA, subject to the internal audit by Expo Bureau. It is important to note where a refund has been granted to the Official Participant in respect of any goods connected to Expo 2020, the Goods cannot be sold for Consideration or transferred free of charge without the payment of VAT to FTA.

However, all official participants regardless of their VAT registration status, must obtain a **“Certificate of Entitlement”** from the Expo Bureau to be eligible for the VAT refund, subject to the below conditions:

## Eligibility Criteria for the Certificate of Entitlement

- The applicant must be an Official Participant of the Expo 2020 in Dubai, holding a valid Expo 2020 license number.
- Not more than 20% of the exhibition space or presentation is, has been, or is intended to be used for non-official or commercial purposes.

There is a separate application form to obtain this certificate and the same has to be duly filled and submitted to the Bureau along with the set of documents as stipulated by the regulation. If the certificate of entitlement is not granted to the official participant due to failure to satisfy any of the above conditions, the participant will not be able to reclaim full amount of VAT in respect of Goods and Services acquired for the purpose of Expo 2020. Instead, the Official Participant may need to consider if any VAT related to such Goods and Services may be recoverable under the general VAT rules applicable to VAT registered person.

## How We Can Help

With the knowledge of serving various clients in connection with Expo 2020, we at Grant Thornton may assist you in taking care of all the required procedures related to Expo 2020. Should you need any expert advice or assistance, please contact our Tax Director [Harsh Bhatia](#) or Senior Manager [Angela Sharma](#).

The VAT refund guide for Expo 2020 can be accessed [here](#).

## About Expo 2020

Dubai, once again, sets a precedent by being the first city to host a World Expo in the Middle East, Africa and South Asia region. Expo 2020, taking place from October 1, 2021 to March 31, 2022, is set to welcome 190 participating countries with 25 million projected visitors from around the world.

In line with its theme “Connecting Minds, Creating the future”, the event will foster business connections that embrace innovative and sustainable solutions and unlock future opportunities.

Grouped by three subthemes: Opportunity, Mobility or Sustainability – country pavilions will showcase their unique culture, innovative solutions and technological transformation.

Want to know more? The Tax Team at Grant Thornton UAE aims to provide you with updates regarding the latest developments in Tax within the ME region.



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