

**Cabinet Resolution No. (1) of 2026**  
**Exempting Certain Sports Entities from Corporate Tax for the Purposes of**  
**Federal Decree by Law No. (47) of 2022 Regarding Corporate and Business**  
**Tax**

**The Cabinet:**

- Having reviewed the Constitution;
- Federal Decree by Law No. (47) of 2022 Regarding Taxation of Corporations and Businesses, as amended;
- Federal Law No. (4) of 2023 Regarding Sports; and
- Upon the proposal of the Minister of Finance, and the approval of the Cabinet,

**Hereby resolves as follows:**

**Article (1)**

**Definitions**

The definitions set forth in the aforementioned Federal Decree by Law No. (47) of 2022 shall apply to this Resolution. In all other respects, the following terms and expressions shall have the meanings assigned to each of them, unless the context requires otherwise:

**International Sports Entity** : A legal person, association, federation, council, committee, or other organization whose main purpose is the promotion, management, or development of one or more sports at the international or regional level, and which is concerned with organizing or coordinating such sports and is recognized by the Ministry of Sports, the Competent Authority, the International Olympic Committee, the International Paralympic Committee, the Olympic Council of Asia, or by any other committee or entity performing a similar function as may be specified in a decision issued by the Minister.

- Sports Entity** : A legal person that is wholly owned and wholly controlled, directly or indirectly, by an International Sports Entity, whose main purpose is the promotion, governance, or development of one or more sports, and which is recognized by, or registered with, the Ministry of Sports or the Competent Authority.
- Supporting Entity** : A legal person that is wholly owned and wholly controlled, directly or indirectly, by an International Sports Entity and established for the exclusive purpose of carrying out supporting activities, including administrative or operational activities, for the activities conducted by such International Sports Entity or by a Sports Entity wholly owned and wholly controlled, directly or indirectly, by such International Sports Entity.
- Competent Authority** : Any local authority concerned with the licensing, regulation, supervision, and oversight of Sports Entities and sports activities in accordance with Federal Law No. (4) of 2023 Regarding Sports.
- Corporate Tax Law** : Federal Decree by Law No. (47) of 2022 Regarding Taxation of Corporations and Businesses, as amended.

## **Article (2)**

### **Exemption from Corporate Tax**

1. For the purposes of Paragraph (i) of Clause (1) of Article (4) of the Corporate Tax Law, an International Sports Entity, Sports Entity, or Supporting Entity that is a Taxable Person shall be exempt from Corporate Tax, provided that all of the following conditions are met:
  - a. It shall not conduct any business or business activities, other than activities directly related to the fulfilment of its main or exclusive purposes, as the case may be.
  - b. Its income or assets shall be used exclusively to serve its main or exclusive purposes, as the case may be, or to pay any necessary and reasonable expenditure incurred in connection therewith.

- c. No part of its income or assets shall be paid or otherwise made available for the personal benefit of any shareholder, member, trustee, founder, or settlor thereof, unless such person is any of the following:
- 1) A Qualifying Public Benefit Entity;
  - 2) A Government Entity;
  - 3) A Government-Controlled Entity;
  - 4) An International Sports Entity, provided that no part of the income or assets of such entity is paid or otherwise made available for the personal benefit of any shareholder, member, trustee, founder, or settlor thereof, unless such person is an entity specified in Subparagraphs (1), (2), (3), and (7) of this Paragraph;
  - 5) A Sports Entity;
  - 6) A Supporting Entity;
  - 7) Any other entity whose main purpose is the promotion, management, or development of one or more sports, provided that such income or assets are used exclusively for the fulfilment of such purposes or for the payment of any necessary and reasonable expenditure incurred in connection therewith, and provided that no part of its income or assets is paid or otherwise made available for its own benefit or for the personal benefit of any shareholder, member, trustee, founder, or settlor thereof, unless such person is an entity specified in Subparagraphs (1) to (6) of this Paragraph; and
  - 8) Any other entity that may be specified by a decision issued by the Minister.
- d. Any other conditions that may be specified by a decision issued by the Minister.
2. The International Sports Entity, Sports Entity, or Supporting Entity shall provide the Authority, upon request and within the specified period, with all data, information, and documents necessary to verify that the entity satisfies the relevant definition set forth in Article (1) of this Resolution and the conditions stipulated in Clause (1) of this Article.
  3. Where an International Sports Entity, Sports Entity, or Supporting Entity exempt from Corporate Tax pursuant to this Resolution fails to satisfy any of the conditions set forth in Clause (1) of this Article, or the relevant definition set forth in Article (1) of this Resolution no longer applies thereto at any time during the Tax Period, such entity shall cease to be

treated as an Exempt Person from the commencement of that Tax Period, except in the cases specified in Clause (6) of Article (4) of the Corporate Tax Law.

### **Article (3)**

#### **Publication and Entry into Force**

This Resolution shall be published in the Official Gazette and shall enter into force on 1 June 2023.

**Mohammed bin Rashid Al Maktoum**

**Prime Minister**

**Issued by Us:**

**On: 23 Rajab 1447 A.H.**

**Corresponding to: 12 January 2026 A.D.**